

Government of the District of Columbia

**FY 2004 Proposed Budget  
and Financial Plan**

*FY 2004 - FY 2009 Capital Appendices*

***Education, Public Safety and  
Opportunity for All***

Submitted to the

Congress of the United States

by the

Government of the District of Columbia

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GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**District of Columbia Government**

For the Fiscal Year Beginning  
**October 1, 2002**

President

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented an award of Distinguished Budget Presentation to the District of Columbia for its annual and capital budget for the fiscal year beginning October 1, 2002.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria of a policy document, a financial plan, an operational guide and a communications device.

The award is the third in the history of the District of Columbia, and is valid for a period of one year. The Office of Budget and Planning will submit the FY 2004 Budget and Financial Plan for consideration by GFOA, and believes the FY 2004 Proposed Budget and Financial Plan continues to conform to the GFOA's requirements.

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# Government of the District of Columbia

**Anthony A. Williams**  
Mayor

**John A. Koskinen**  
City Administrator

**Kelvin J. Robinson**  
Chief of Staff

**Herbert R. Tillery**  
Deputy Mayor for Operations

**Margret Nedelkoff Kellems**  
Deputy Mayor for Public Safety and Justice

**Carolyn N. Graham**  
Deputy Mayor for Children, Youth, Families, and  
Elders

**Eric W. Price**  
Deputy Mayor for Planning and Economic  
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Chief Financial Officer

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David A. Catania .....	At Large
Carol Schwartz .....	At Large
Phil Mendelson .....	At Large
Jim Graham .....	Ward 1
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Kathleen Patterson .....	Ward 3
Adrian Fenty.....	Ward 4
Vincent B. Orange Sr. ....	Ward 5
Sharon Ambrose.....	Ward 6
Kevin P. Chavous .....	Ward 7
Sandra Allen .....	Ward 8



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Deputy Chief of Staff for Policy  
and Legislative Affairs

**Noel Bravo**

Special Assistant and  
Senior Advisor for Budget and Finance

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**Arte Blitzstein**

Council Budget Director

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Chief of Staff

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Deputy Chief Financial Officer  
Office of Finance and Treasury

**Julia Friedman**

Deputy Chief Financial Officer  
Office of Research and Analysis

**Anthony F. Pompa**

Deputy Chief Financial Officer  
Office of Financial Operations and Systems

**Phil Brand**

Deputy Chief Financial Officer  
Office of Tax and Revenue

## Associate Chief Financial Officers

**Steward Beckham**

Public Safety and Justice

**Barbara Jumper**

Governmental Direction and Operations

**Pamela D. Graham**

Government Services

**Henry Mosley**

Economic Development and Regulation

**Deloras Shepherd**

Human Support Services





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Edward Jackson, Jr.  
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Robert Johnson

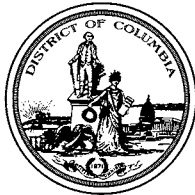
Justin Kopca  
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Margaret Myers  
Randall Myers  
Sharon Nelson  
John Nitz  
Sunday Okparaocha  
Jason Orlando  
Carlotta Osorio  
John Parham  
William Powell  
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Mike Richard  
Patrick Richard  
Sam Ruma  
James Spaulding  
Sue Taing  
Renee Waddy  
Lakeia Williams  
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Hyong Yi

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# **Transmittal Letter**





ANTHONY A. WILLIAMS  
MAYOR

June 2, 2003

The Honorable George W. Bush  
President of the United States  
1600 Pennsylvania Avenue, NW  
Washington, DC 20500

Dear President Bush:

On behalf of the 570,000 residents of the District of Columbia, I transmit the proposed *FY 2004 Budget and Financial Plan: Education, Public Safety, and Opportunity for All*.

This budget proposes \$5.6 billion in total funding and supports 33,867 full-time equivalent (FTE) staff. This change represents a 2.1 percent funding increase from the FY 2003 approved budget, and an increase of 233 FTEs. In local funds, this budget proposes \$3.8 billion in funding and supports 26,245 FTEs. This local budget change represents a 6.4 percent funding increase over the FY 2003 approved budget and a decrease of 150 FTEs.

### **A Continued Record of Sound Fiscal Management**

As you know, cities and states across the nation are facing the worst budgetary challenge of the last 60 years, and the District is no exception. Due to the national economic downturn, the District experienced a decline in revenues of approximately \$370 million in the first half of FY 2003. This decline equates to a 10 percent loss in our local operating budget. Because the economy has not yet recovered, these challenges continued into FY 2004, and the District began formulation of this budget with a projected gap of \$114 million.

In facing these challenges, however, the District not only continues its record of sound fiscal management; we also achieved a level of responsible and conservative budgeting found only among the most financially prudent governments. As a result, the FY 2004 budget transmitted today is balanced, in the current and future years. In addition, the District's leaders balanced this budget entirely through budget reductions. No tax increases were enacted, and not one dollar of the \$250 million in cash reserves was used.

Just as significant is the fact that this budget protects core services. In times of tight resources, some would set their goals aside in order to weather the storm, but I believe the opposite must be done. In these difficult times, we must focus on our goals more than ever so that we may protect them and continue making progress towards achieving them.

The proposed FY 2004 budget reflects this approach by focusing resources in the areas of highest priority for our residents. These are (1) education programs, which includes early childhood education and adult literacy; (2) public safety, which includes providing greater police presence in communities and a vastly improved 911 emergency communications system; and (3) opportunity for all, which includes the housing, employment, and health care needed for all residents to become productive and healthy members of the community and economy. In order to protect these priorities, however, some reductions had to be made in other areas of the budget.

### **Sacrifices Made to Preserve Budgetary Balance**

In many instances, the District was able to reduce spending by using existing funds more wisely. However, in other areas significant sacrifices were required. Most notable among these is the deferral of key infrastructure investments. In FY 2003, the District eliminated funding for \$250 million in approved capital construction, including transportation investments, recreation facilities, and important technology investments. An additional \$100 million of funding for such projects was eliminated in FY 2004.

In making these sacrifices the District preserved existing funding for existing schools and libraries but could allocate no new funding for the next phase of modernization. As a result, current 10-year plans for renovating neglected schools and libraries must be scaled back dramatically, leaving a major challenge for the education of our children. This sacrifice, coupled with even greater reductions in roads, bridges, and other buildings, present one of the greatest challenges that the District faces today.

Is this challenge purely the result of our national economic woes? In fact, it is not. Even during times of economic growth, the District cannot support the level of investment required to compensate for the many decades of neglect from which our infrastructure has suffered. However, this is true not because of any factor under the District's control, but because of the uniquely unfair constraints placed on the District's tax base by the federal government.

### **Federal Constraints on Revenue Collection Resulting in Structural Imbalance**

The federal government requires that the District provide services like a state; but unlike every other state in the nation, the District is prohibited by the President and Congress from collecting a non-resident income tax. As a result, the District must fund budget expenditures far greater than the revenues provided through a reasonable level of taxation. Faced with this clash between expenditure needs and revenue capacity, the

District has maintained a balanced budget through several strategies that have provided solvency in the short term, but cannot be maintained. These strategies are:

- *Producing service improvements within existing constraints.* The District has aggressively improved service delivery through more focused use of existing resources. Having capitalized on the major opportunities for such efficiencies, however, the District cannot expect to solve its structural imbalance through this strategy.
- *Taxing local residents and businesses at extraordinary levels.* With a severely limited tax base, the District has had no choice but to rely on local residents and businesses to provide revenues for government services, resulting in many tax rates that far exceed those of peer jurisdictions.
- *Deferring spending on critical infrastructure and services.* At present, the District is deferring each year hundreds of millions of dollars in critical investments. These include funding for school buildings, transportation systems, water and sewer projects, economic development, and social services.

Although these strategies have temporarily addressed the imbalance between expenditures and revenues, they cannot be employed much longer. The overtaxing of our citizens and deferral of critical investments continues to damage the viability of the District as a place to live and operate a business. As a result, the financial and operational recovery underway will falter and the District will lose the important ground that it and its federal partners have worked to gain.

In specific terms, the amount of the structural imbalance is estimated to be approximately \$400 million per year. This estimate has been thoroughly analyzed and documented by the Rivlin Commission, the Brookings Institution and McKinsey and Company. To independently assess this matter, Congress has requested that the U.S. General Accounting Office conduct a full-scale analysis. Upon release of this study, the District remains very hopeful that the President and Congress will act assertively to remove the federal barriers that prevent the District from investing in critical service improvements and maintaining a balanced budget.

In addition to this matter of finances, the District also faces a procedural barrier in the federal appropriations process. The following section discusses this barrier and a proposal to address it.

### **Disruptions Resulting from Federal Review of the District's Budget**

Unlike any other state or local jurisdiction in the nation, the District must have its locally-raised revenues appropriated to it through an act of Congress. Aside from the obvious issues related to government by consent of the governed, this process creates major

disruptions in the delivery and improvement of basic government services. Specifically, there are several key reasons why the President and Congress should change the current process:

1. *The federal system deliberately provides localities with budget flexibility to respond to local needs.* Because local governments provide front-line services, they must have the ability to quickly adapt to changing circumstances. At present, the federal government requires the District to formulate its budget a year in advance in order to accommodate the federal review process. This greatly limits the effectiveness of District programs in responding to changing needs within the city.
2. *Congressional delays disrupt planned service improvements.* Virtually every year, Congress fails to approve the District's budget by the beginning of the fiscal year. In recent history, the average Congressional delay has been almost three months, *which is almost a full quarter of the fiscal year.* During these delays (Continuing Resolution periods), critical new investments cannot be funded.
3. *Mid-year budget reallocations require an act of Congress, and disrupt service delivery.* As discussed, local governments need the flexibility to respond to rapid changes in their needs. The District is not allowed to significantly reallocate funds to meet changing needs without an act of Congress.
4. *Program managers must "use or lose" funding at the end of each year.* Congressional approval for spending expires at the end of the year, which punishes program managers who save funds by not allowing them to use those funds for other purposes.
5. *The federal government can still provide oversight to the District under a different process.* The Constitution requires Congress to oversee the District as the nation's capital, but does not require congressional approval of the District's budget. Under a streamlined budget process, Congress can provide all necessary oversight through passage of laws and appropriation of federal funds to federal priorities in the District.

Last January, the President's statement in favor of budget autonomy for the District was transmitted to the Congress, and greatly appreciated by the District. At present, the House and Senate oversight committees on the District of Columbia are developing legislation that would begin the process of reforming the federal approval process for the District's budget. As Congress pursues passage of this legislation, the District looks to the President to actively support a change that will remove the impediments to the District's continued financial and operational recovery.



### **A Critical Decision for the President and Congress**

The tremendous fiscal discipline exercised in developing the FY 2004 budget demonstrates that even in the most difficult of circumstances, the District manages its finances responsibly. In fact, recent months have seen many state and local governments have been placed on a credit watch by bond rating agencies. In contrast, the District has recently had our outlook raised to "positive. As Wall Street agencies consider upgrading our bond rating over the coming months, we remain hopeful that our discipline will contribute to a favorable review.

Likewise, as Congress and the President review the relationship between the District and federal governments in the coming months, we are hopeful that our strong and sustained performance will contribute to the removal of the barriers posed by current federal oversight. The outcome of your consideration will, one way or another, profoundly affect the future course of the government and residents of the District. Therefore, on behalf of these residents, I strongly encourage you to support the District in affecting the changes needed to complete our financial and operational recovery.

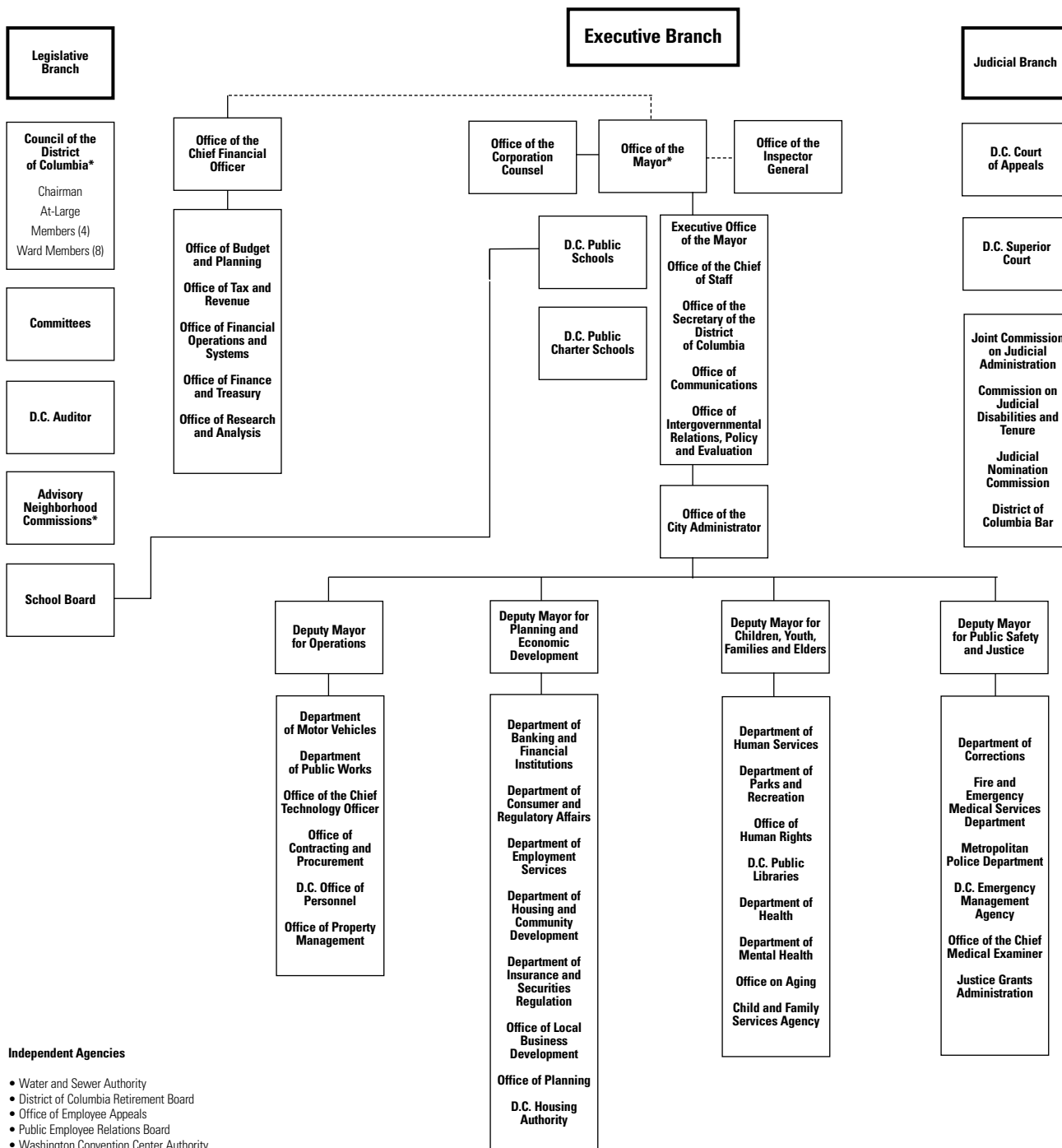
Sincerely,

A handwritten signature in black ink that reads "Anthony A. Williams". The signature is written in a cursive, flowing style.

Anthony A. Williams  
Mayor



## Organization Chart, Government of the District of Columbia



### Independent Agencies

- Water and Sewer Authority
- District of Columbia Retirement Board
- Office of Employee Appeals
- Public Employee Relations Board
- Washington Convention Center Authority
- Housing Finance Agency
- Public Defenders Services
- Pretrial Services Agency
- D.C. Lottery and Charitable Games Control Board
- Board of Library Trustees
- University of the District of Columbia Board of Trustees
- D.C. Sports and Entertainment Commission
- Office of the People's Counsel

### Charter Independent Agencies

- Zoning Commission
- D.C. Public Schools
- Public Charter Schools
- Public Service Commission
- Board of Elections and Ethics

### Regional Bodies

- Metropolitan Washington Council of Governments
- National Capital Planning Commission
- Washington Metropolitan Area Transit Authority
- Washington Metropolitan Area Transit Commission
- Washington Metropolitan Airports Authority

\* Elected officials



FY 2004 Proposed Budget and Financial Plan  
***FY 2004 - FY 2009 Capital Appendices***

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# Capital Improvements Plan: FY 2004 – FY 2009

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## Introduction

The District of Columbia's Capital Improvements Program (the "Capital Program") comprises the finance, acquisition, development, and implementation of permanent improvement projects for the District's fixed assets. Such assets generally have a useful life of more than three years and cost more than \$250,000. The Capital Improvements Plan (CIP) document is a comprehensive, annually updated, six-year plan for the development, modernization or replacement of city-owned facilities and infrastructure. The CIP consists of the appropriated budget authority request for the upcoming fiscal year and projected funding/expenditure plans for the following five years. In most instances, the major portion of capital authority goes toward improvements or applicable activities associated with streets, bridges, government facilities, public schools, and recreational projects.

The text of the CIP is an important planning and management resource. It analyzes the relationship of projects in the capital budget to other developments in the District. It also describes the programmatic goals of the various District agencies and how those goals impact upon the need for new, rehabilitated or modernized facilities. Finally, it details the financial impact and requirements of all the District's capital expenditures.

The CIP is flexible, allowing project expenditures plans to be amended from one year to the next in order to reflect actual expenditures and revised expenditure plans. However, consistent with rigorous strategic planning, substantial changes in the program are discouraged. The CIP is updated each year by adding a planning year, and reflecting any necessary changes in projected expenditures schedules, proposed projects, and District priorities.

The CIP is used as the basis for formulating the District's annual capital budget. The Council and the Congress adopt the budget as part of the District's overall six-year CIP. Following approval of the capital budget, Bond Act(s) and Bond Resolution(s) are adopted to finance the majority of projects identified in the capital budget. Inclusion of a project in a Congressionally adopted capital budget and approval of requisite financing gives the District the authority to expend funds for each project. The remaining five years of the program, called the outyears, shows the official plan for making improvements in District-owned facilities in future years.

## The Need for Capital Investment

After several years of underfunding, the District has significantly increased its expenditures to reinvest in the District's infrastructure. However, even today, we are not able to fund all identified capital needs, as competing needs pull in opposite directions.

The first limits how much we can spend while the second pushes us to increase capital funding levels to meet all infrastructural needs. As a result of these competing demands, the District has taken several actions to meet its priorities but also maintain a fiscally sound CIP. First, it has prioritized its capital projects and rescinded budget authority from those it deemed less important. Second, it has reallocated funding to high priority projects – both existing and new – so that it can meet its most pressing infrastructural needs.

Figure CA - 1

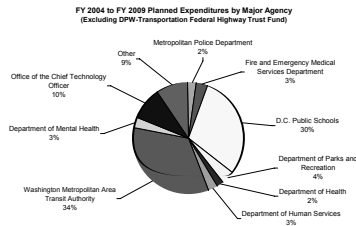


Figure CA - 2

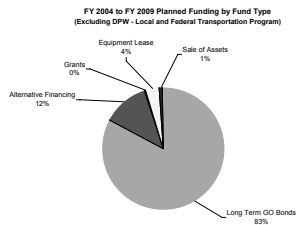


Figure CA - 3

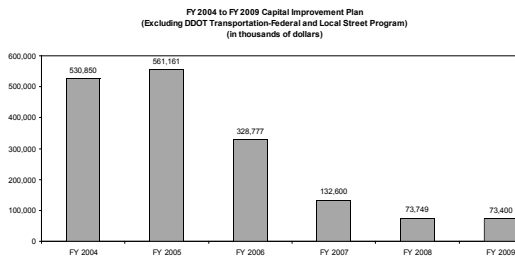
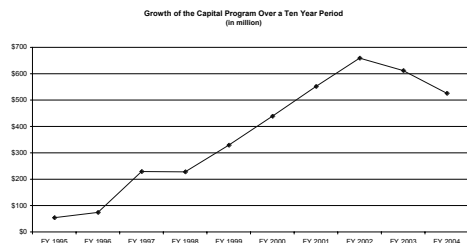


Figure CA - 4



## The Current Capital Program for FY 2004 - 2009 \*

Table CA - 1  
Overview (in '000s)

Total Number of Projects	221
Number of On Going Projects	158
Number of New Projects	63
Total FY 2004 Planned Funding	\$530,850
Total FY 2004 Planned Expenditures	\$530,850
Total FY 2004 to FY 2009 Planned Funding	\$1,700,537
Total FY 2004 to FY 2009 Planned Expenditures	\$1,700,537
FY 2004 Appropriated Budget Authority Request	\$904,912
Total Number of Capital Funded Positions	614
FY 2004 Planned Debt Service	\$311,504
FY 2004 - FY 2009 Planned Debt Service	\$2,328,500
<b>Percent of Total FY 2004 Capital Funding to Total FY 2004 General Fund Operating</b>	<b>6.7%</b>

\*Excludes DDOT Transportation program

The FY 2004 - FY 2009 Local CIP proposes an increase in funding of \$1,004,796,278 over the next six fiscal years for 158 ongoing projects and 63 new projects. This includes a rescission of \$99,883,722 for a net increase of \$904,912,556. For FY 2004, the planned funding level is \$530,850,000. The proposed planned expenditure over the six-year period is \$1,700,537,000. For FY 2004, planned expenditures have decreased by 17 percent from FY 2003. Table CA-2 (Cash Flow Proforma) provides the District's FY 2004 - 2009 Capital Improvements Plan. This table identifies the sources and uses of funding over the six year period.

Figure CA-1 illustrates the planned expenditures between FY 2004 - FY 2009 by major agency. WMATA constitutes the majority of the planned expenditures, with a significant portion of its funding going toward the replacement of Metrorail cars and buses.

Figure CA-2 illustrates the planned funding by fund type between FY 2004 and FY 2009. This figure shows that the primary source of funding for the capital improvements program is through the issuance of general obligation bonds.

Figure CA-3 illustrates the planned expendi-



ture and funding level for the District. This figure shows that all funding currently exists to support all planned expenditures.

Figure CA-4 shows that between 1995 and 2004, the District was reinvesting in its infrastructure after years of neglect in the 1990s. However, due to recent economic conditions as well as managing toward its guiding principles, overall funding in the CIP has declined over the past two years. While this is a trend that we hope will end in the near future, it is an important consideration as we seek to balance competing, but necessary, projects.

It is also important to note that the FY 2004 – FY 2009 CIP is a result of a collaborative process involving the Mayor, the City Administrator and Deputy Mayors, the Chief Financial Officer, and the agencies. This team, called the Budget Review Team, reviews all new capital requests, sets priorities, and approves funding levels. The work of this team resulted in new funding for 63 projects, increased funding for 14 existing projects, and a reduction or elimination of funding for 49 projects. About \$100 million was rescinded from current projects and reallocated to fund higher priorities.

## **Appropriated Budget Authority Request**

The Appropriated Budget Authority is the spending threshold approved by Congress for the District's CIP. Each year, Congress grants the District spending authority to implement a District-wide capital program. Based on projected revenue collection, the District is authorized to issue general obligation bonds to finance its capital projects. In previous years, the District explored alternative methods of financing projects such as short term agreements, Master Equipment Lease, and pay-as-you-go financing. This year, we are continuing the use of these methods, especial with the Master Equipment Lease.

Generally, before a capital project is eligible for capital financing, the following basic criteria must be met:

- It must increase the useful life of the asset beyond five years
- Its dollar threshold must be greater than

\$250,000, and

- The asset must be affixed to a permanent structure.

Projects that fail to meet these minimum standards must seek alternative funding methods.

The District's FY 2004 appropriated budget authority request includes a request of \$1,004,796,278 of new funding and a rescission of \$99,883,722 for a net increase of \$904,912,556. Table CA-3 provides a complete listing of the appropriated budget authority request.

## **FY 2004 Operating Budget Impact**

As mentioned earlier, each \$15 million in borrowing has a \$1 million impact on the operating budget for debt service. This principle constitutes the operating budget impact of the capital budget. In other words, the operating budget impact is the debt service cost, paid from Local revenue, associated with issuing general obligation bonds to finance the CIP. While there are other sources of funding for projects, such as Master Equipment Lease, tobacco securitization, federal grants, and the Highway Trust Fund, general obligation bonds constitute the majority of

Table CA-2  
Capital Fund Proforma (\$000)

	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 04 - FY 09 Total
<b>Sources</b>							
Long-term GO Bonds	394,766	473,940	290,775	121,921	64,000	64,000	1,409,402
Alternative Financing	118,115	69,354	21,452	1,279	349	0	210,549
Grants	687	3,467	2,150	0	0	0	6,304
Equipment Lease	13,282	9,400	9,400	9,400	9,400	9,400	60,282
Sale of Assets	4,000	5,000	5,000	0	0	0	14,000
<b>Total Funding</b>	<b>530,850</b>	<b>561,161</b>	<b>328,777</b>	<b>132,600</b>	<b>73,749</b>	<b>73,400</b>	<b>1,700,537</b>
<b>Uses</b>							
Office of the City Administrator	6,004	729	0	0	0	0	6,733
Office of Property Management	4,642	3,909	3,296	1,000	0	0	12,847
Office of the Chief Financial Officer	22,515	5,200	600	0	0	0	28,315
Office of Planning	5,200	2,500	0	0	0	0	7,700
Com. on the Arts and Humanities	985	995	1,065	950	0	0	3,995
Office on Aging	2,458	475	576	0	0	0	3,509
Office of the Corporation Counsel	687	3,467	2,150	0	0	0	6,304
D. C. Public Library	7,992	0	0	0	0	0	7,992
Department of Employment Services	800	0	0	0	0	0	800
Consumer & Regulatory Affairs	1,424	754	0	0	0	0	2,178
Dept. of Housing and Community Dev..	5,497	2,500	2,500	0	0	0	10,497
Office of Economic Development	4,000	5,000	5,000	0	0	0	14,000
Metropolitan Police Department	12,700	5,200	5,200	5,200	5,200	5,200	38,700
Fire and Emergency Medical Svcs..	15,367	14,340	13,611	4,200	4,200	4,200	55,917
DC Department of Corrections	5,640	1,800	1,800	590	0	0	9,830
Chief Medical Examiner	703	1,158	300	0	0	0	2,161
D.C. Public Schools	168,407	172,627	148,722	21,115	0	0	510,871
University of the District of Columbia	4,810	1,300	700	0	0	0	6,810
Department of Parks and Recreation	24,456	16,338	13,581	5,066	0	0	59,441
Department of Health	17,860	10,394	5,810	2,000	0	0	34,064
Department of Human Services	23,005	13,079	7,926	329	349	0	44,688
Department of Transportation	1,750	1,750	0	0	0	0	3,500
WMATA	45,000	205,700	100,700	94,000	64,000	64,000	573,400
Department of Public Works	8,960	4,000	0	0	0	0	12,960
Department of Motor Vehicles	8,346	6,750	0	0	0	0	15,096
Dept.. of Mental Health Services	37,541	15,612	500	150	0	0	53,803
Chief Technology Officer	93,602	65,584	14,740	0	0	0	173,926
<b>Total Expenditures</b>	<b>530,850</b>	<b>561,161</b>	<b>328,777</b>	<b>132,600</b>	<b>73,749</b>	<b>73,400</b>	<b>1,700,537</b>
<b>Ending Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Table CA-3**  
**FY 2004 Appropriated Budget Authority Request**

				A	B	C	D	E=(A+B+C+D)
Agency Code	Project Code	Sub Project	Project Name	Local Funds	Local Street Maintenance (ROW Fees)	Highway Trust (Motor Fuel Tax)	Federal Grants	Total Authority Requested
<b>Office of Property Management</b>								
AM0	AA2	37	Complete Renovation & Modernization	-8,000,000	0	0	0	-8,000,000
AM0	GA2	22	Electrical Upgrade	-670,267	0	0	0	-670,267
AM0	GB1	05	Roof Replacement @ Various Buildings	-763	0	0	0	-763
AM0	N14	01	Government Centers St. Elizabeth's Hospital	-316,000	0	0	0	-316,000
AM0	N14	05	Improve Property Mgt System ( ITS)	-3,862,905	0	0	0	-3,862,905
AM0	n/a	n/a	Capital Construction	-219,002	0	0	0	-219,002
AM0	GA1	02	Electrical Upgrade - West Virginia Ave.	-736,698	0	0	0	-736,698
AM0	BC1	01	Condition Assessment	-1,907	0	0	0	-1,907
AM0	GT1	08	10th MPD Precinct	-483,400	0	0	0	-483,400
AM0	GT1	02	Reeves Renovations	-483,925	0	0	0	-483,925
AM0	GB1	01	Roof Replacement	-75,902	0	0	0	-75,902
AM0	GR9	01	Juvenile Court Building	-507,000	0	0	0	-507,000
AM0	N14	10	Electronic Security Standard and INT	-3,277,111	0	0	0	-3,277,111
<b>AM0 Total</b>				<b>-18,634,879</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-18,634,879</b>
<b>Office of the Chief Financial Officer</b>								
AT0	BF2	04	Fin. Con. Sys. Impr	5,500,000	0	0	0	5,500,000
AT0	BF2	08	Fin. Con. Sys. Impr	4,700,000	0	0	0	4,700,000
AT0	BF2	11	Fin. Con. Sys. Impr	2,000,000	0	0	0	2,000,000
AT0	CSP	02	Comp. Sys. Project	2,325,445	0	0	0	2,325,445
AT0	CSP	05	Comp. Sys. Project	6,000,000	0	0	0	6,000,000
AT0	CSP	40	Comp. Sys. Project	4,600,000	0	0	0	4,600,000
AT0	CSP	02	Comp. Sys. Project	-2,325,445	0	0	0	-2,325,445
AT0	CSP	05	Comp. Sys. Project	-6,000,000	0	0	0	-6,000,000
<b>AT0 Total</b>				<b>16,800,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>16,800,000</b>
<b>D.C. Emergency Management Agency</b>								
BN0	HA5	40	Microwave Backup System Implementation	-27	0	0	0	-27
<b>BN0 Total</b>				<b>-27</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-27</b>
<b>D.C. Commission on Art and Humanities</b>								
BX0	AH7	17	Public Art Fund	-1,615,302	0	0	0	-1,615,302
BX0	AH7	22	Public Art Fund	-492,018	0	0	0	-492,018
BX0	AH7	23	Public Art Fund	-151,000	0	0	0	-151,000
BX0	AH7	24	Public Art Fund	-50,000	0	0	0	-50,000
BX0	AH7	25	Public Art Fund	-50,000	0	0	0	-50,000
<b>BX0 Total</b>				<b>-2,358,320</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-2,358,320</b>
<b>D.C. Office of Aging</b>								
BY0	A05	02	Multipurpose Wellness Center Ward 6	-2,300,017	0	0	0	-2,300,017
BY0	EA1	29	Ward 1 Senior Wellness Center	-2,541,000	0	0	0	-2,541,000
BY0	EA2	29	Ward 2 Senior Wellness Center	-3,545,000	0	0	0	-3,545,000
BY0	IT1	40	Continuity of Operations	1,501,500	0	0	0	1,501,500
<b>BY0 Total</b>				<b>-6,884,517</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-6,884,517</b>

**Table CA-3**  
**FY 2004 Appropriated Budget Authority Request**

				A	B	C	D	E=(A+B+C+D)
Agency Code	Project Code	Sub Project	Project Name	Local Funds	Local Street Maintenance (ROW Fees)	Highway Trust (Motor Fuel Tax)	Federal Grants	Total Authority Requested
<b>D.C. Public Library</b>								
CE0	MLK	37	Martin Luther King Memorial Library	-6,464,869	0	0	0	-6,464,869
CE0	BEN	37	Benning Branch	1,000,000	0	0	0	1,000,000
CE0	FB5	38	Southeast Branch	182,000	0	0	0	182,000
CE0	LB3	01	Ancostia Branch	1,000,000	0	0	0	1,000,000
CE0	TEN	37	Tenley/Wilson HS Branch	1,000,000	0	0	0	1,000,000
CE0	WTD	37	Watha T. Daniels Branch	1,000,000	0	0	0	1,000,000
<b>CE0 Total</b>				<b>-2,282,869</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-2,282,869</b>
<b>Department of Employment Services</b>								
CF0	FG3	40	OWC Case/Workflow Automation (AS/400 Replacem	500,000	0	0	0	500,000
CF0	FG6	40	Infrastructure Modernization-Operations	300,000	0	0	0	300,000
<b>CF0 Total</b>				<b>800,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>800,000</b>
<b>Department of Consumer and Regulatory Affairs</b>								
CR0	CO3	40	Digitization of the Office of the Surveyor plat	1,928,000	0	0	0	1,928,000
CR0	RPD/EU1	00	Real Property Database	-2,500,000	0	0	0	-2,500,000
<b>CR0 Total</b>				<b>-572,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-572,000</b>
<b>Office of Corportation Counsel</b>								
CB0	EN2	40	Child Support Enforcement System	6,304,000	0	0	0	6,304,000
<b>CB0 Total</b>				<b>6,304,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,304,000</b>
<b>Department of Housing and Community Development</b>								
DB0	033	64	FT Lincoln Utility	-1,200,000	0	0	0	-1,200,000
DB0	040	01	Affordable Housing	-500,000	0	0	0	-500,000
<b>DB0 Total</b>				<b>-1,700,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-1,700,000</b>
<b>Planning and Economic Development</b>								
EB0	EA7	10	Neighborhood Revitalization	-1,000,000	0	0	0	-1,000,000
EB0	JA1	01	Demolition of the Convention Center	10,000,000	0	0	0	10,000,000
EB0	EB3	01	Neighborhood Revitalization	4,000,000	0	0	0	4,000,000
<b>EB0 Total</b>				<b>13,000,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>13,000,000</b>
<b>Office of Planning</b>								
BD0	PLN	34	Comprehensive Plan	2,800,000	0	0	0	2,800,000
BD0	PLN	34	District Master Facilities Plan	2,900,000	0	0	0	2,900,000
<b>BD0 Total</b>				<b>5,700,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,700,000</b>
<b>Metropolitan Police Department</b>								
FA0	CIF	01	Infrastructure Rehabilitation -VL	-10,869	0	0	0	-10,869
FA0	FRI	01	Base Building Renovation	-6,388,803	0	0	0	-6,388,803
FA0	ITI	01	Information Technology Initiative	-3,716,598	0	0	0	-3,716,598
FA0	KA2	40	Information Technology	500,000	0	0	0	500,000
FA0	P13	01	Central Cellblock Expansion Mun Ctr.	-4,048	0	0	0	-4,048
FA0	PEQ	20	Master Equipment Lease	31,200,000	0	0	0	31,200,000

**Table CA-3**  
**FY 2004 Appropriated Budget Authority Request**

				A	B	C	D	E=(A+B+C+D)
Agency Code	Project Code	Sub Project	Project Name	Local Funds	Local Street Maintenance (ROW Fees)	Highway Trust (Motor Fuel Tax)	Federal Grants	Total Authority Requested
FA0	PKP	29	SOD Design & Land Acquisition	4,000,000	0	0	0	4,000,000
<b>FA0 Total</b>				<b>25,579,681</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>25,579,681</b>
<b>Fire and Emergency Medical Services Department</b>								
FB0	206	1T	Information Technology	-10,000	0	0	0	-10,000
FB0	206	30	Fire Apparatus	23,181,796	0	0	0	23,181,796
FB0	27	8	F27-08 Vehicle Exhaust Ventilation Systems	754,934	0	0	0	754,934
FB0	LA1	37	Engine 01	3,006,231	0	0	0	3,006,231
FB0	LA7	16	E-7/Fleet Maintenance Facility	782,118	0	0	0	782,118
FB0	LA7	18	E-7/Fleet Maintenance Facility	329,612	0	0	0	329,612
FB0	LA7	22	E-7/Fleet Maintenance Facility	1,305,328	0	0	0	1,305,328
FB0	LA9	37	Engine 09	2,222,064	0	0	0	2,222,064
FB0	LB1	37	Engine 10	242,507	0	0	0	242,507
FB0	LB6	37	Engine 15	3,685,546	0	0	0	3,685,546
FB0	LC4	37	Engine 22	7,178,503	0	0	0	7,178,503
FB0	LD2	37	Engine 29	3,413,221	0	0	0	3,413,221
FB0	LD9	37	Disaster Vehicle Facility	395,731	0	0	0	395,731
<b>FB0 Total</b>				<b>46,487,591</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>46,487,591</b>
<b>Department of Corrections</b>								
FL0	CR0	03	General Renovations	3,000,000	0	0	0	3,000,000
FL0	CR0	06	General Renovation of Sallyport @ DC JAIL	-2,600,000	0	0	0	-2,600,000
FL0	MA1	37	Rehabilitation of Building 25 DCGH Camp	-9,593,000	0	0	0	-9,593,000
FL0	MA2	03	Renovations at CDF	1,160,000	0	0	0	1,160,000
FL0	MA2	18	Renovations at CDF	3,000,000	0	0	0	3,000,000
<b>FL0 Total</b>				<b>-5,033,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-5,033,000</b>
<b>D.C. Courts</b>								
FN0	B29	01	Central Recording Systems	-351,589	0	0	0	-351,589
FN0	B31	01	General Improvements Var D.C. Court Bldg	-649,744	0	0	0	-649,744
<b>FN0 Total</b>				<b>-1,001,332</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-1,001,332</b>
<b>Office of the Chief Medical Examiner</b>								
FX0	001	01	Enhancements to Case Management	1,510,000	0	0	0	1,510,000
FX0	AA3	38	Forensic Lab	-5,614,000	0	0	0	-5,614,000
FX0	AA4	16	Facility Improvements	650,000	0	0	0	650,000
<b>FX0 Total</b>				<b>-3,454,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-3,454,000</b>
<b>University of the District of Columbia</b>								
GF0	ET9	40	Higher Education Back Office	3,900,000	0	0	0	3,900,000
<b>GF0 Total</b>				<b>3,900,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,900,000</b>
<b>Department of Parks and Recreation</b>								
HA0	QA5	01	New Construction Stoddert	6,400,000	0	0	0	6,400,000
HA0	QA3	38	Riggs LaSalle Rec Center	-3,892,000	0	0	0	-3,892,000
HA0	RA1	04	Mckinley Rec/Pool Rehabilitation	-147,573	0	0	0	-147,573

**Table CA-3**  
**FY 2004 Appropriated Budget Authority Request**

				A	B	C	D	E=(A+B+C+D)
Agency Code	Project Code	Sub Project	Project Name	Local Funds	Local Street Maintenance (ROW Fees)	Highway Trust (Motor Fuel Tax)	Federal Grants	Total Authority Requested
HA0	RE0	11	Kenilworth Parkside	-4,813,000	0	0	0	-4,813,000
HA0	RN0	09	Vehicle Replacement	-500,000	0	0	0	-500,000
HA0	RR0	02	Facility Renovation	-99,865	0	0	0	-99,865
HA0	RR0	06	Facility Renovation	-500,000	0	0	0	-500,000
HA0	RR0	07	Facility Renovation	-2,000,000	0	0	0	-2,000,000
HA0	RR0	10	Facility Renovation	-978,320	0	0	0	-978,320
HA0	RR0	12	Ft. Greble Recreation Center	-131,281	0	0	0	-131,281
HA0	RR0	15	Park Lighting	-2,000,000	0	0	0	-2,000,000
<b>HA0 Total</b>				<b>-8,662,039</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-8,662,039</b>
<b>Department of Health</b>								
HC0	D03	01	Facility Renovat Step -Down Telemetry	-13,000	0	0	0	-13,000
HC0	HY5	04	D.C. General Hospital	4,000,000	0	0	0	4,000,000
HC0	HY5	04	Renovate Detoxication Clinic @ D.C. GEN	-8,707	0	0	0	-8,707
HC0	R10	40	Integration Technology	5,000,000	0	0	0	5,000,000
HC0	R15	01	Integration Technology	2,000,000	0	0	0	2,000,000
HC0	R16	16	General Improvements	1,000,000	0	0	0	1,000,000
HC0	R17	17	Plumbing	1,000,000	0	0	0	1,000,000
HC0	R18	13	General Improvements	3,000,000	0	0	0	3,000,000
HC0	R19	19	Lighting	1,200,000	0	0	0	1,200,000
HC0	R20	20	Emergency Systems	850,000	0	0	0	850,000
HC0	R21	39	Security Monitoring System	450,000	0	0	0	450,000
HC0	R22	07	Roof Replacement	460,000	0	0	0	460,000
HC0	R23	40	Laboratory Re-Engineering	6,000,000	0	0	0	6,000,000
HC0	R24	01	Electrical Renovations	300,000	0	0	0	300,000
HC0	R25	01	Mechanical Renovations	400,000	0	0	0	400,000
HC0	R26	01	Roof Replacements	750,000	0	0	0	750,000
HC0	R27	01	Windows Replacement	900,000	0	0	0	900,000
HC0	R28	01	Boiler Plant Renovations	3,354,000	0	0	0	3,354,000
HC0	R31	01	Elevator Renovations	400,000	0	0	0	400,000
HC0	RA1	40	BPR FPR Vital Records	-6,959	0	0	0	-6,959
HC0	RA4	40	Children Database	-3,967,627	0	0	0	-3,967,627
HC0	RA8	40	APRA Patient Records Systems	3,000,000	0	0	0	3,000,000
<b>HC0 Total</b>				<b>30,067,707</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>30,067,707</b>
<b>Department of Human Services</b>								
JA0	H96	22	Bundy School	1,500,000	0	0	0	1,500,000
JA0	SB6	16	CCNV	1,800,000	0	0	0	1,800,000
JA0	SB6	22	CCNV	1,800,000	0	0	0	1,800,000
JA0	SE4	05	DC Village	650,000	0	0	0	650,000
JA0	SH4	15	2146 Georgia Avenue - Bond Bread Building	650,000	0	0	0	650,000
JA0	SI4	38	Parcel 38	7,000,000	0	0	0	7,000,000
JA0	SJ4	37	1355-57 New York Avenue, NW	6,803,250	0	0	0	6,803,250
JA0	SK4	37	801 East Building	3,900,000	0	0	0	3,900,000
JA0	SD4	38	LaCasa Homeless Shelter	7,250,000	0	0	0	7,250,000
<b>JA0 Total</b>				<b>31,353,250</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>31,353,250</b>

**Table CA-3**  
**FY 2004 Appropriated Budget Authority Request**

				A	B	C	D	E=(A+B+C+D)
Agency Code	Project Code	Sub Project	Project Name	Local Funds	Local Street Maintenance (ROW Fees)	Highway Trust (Motor Fuel Tax)	Federal Grants	Total Authority Requested
<b>Department of Public Works</b>								
KA0	CKL	24	LeDroit Streetscape Imp	3,500,000	0	0	0	3,500,000
KA0	AD0	01	Trans Elec System Implementation	0	0	0	636,539	636,539
KA0	AD0	03	Trans Elec System Implementation	0	0	0	186,800	186,800
KA0	AD0	04	Trans Elec System Implementation	0	0	0	692,900	692,900
KA0	AD0	05	Trans Elec System Implementation	0	0	0	1,050,000	1,050,000
KA0	AD0	06	Trans Elec System Implementation	0	0	0	2,160,000	2,160,000
KA0	AD0	07	Trans Elec System Implementation	0	0	0	360,000	360,000
KA0	AD0	08	Trans Elec System Implementation	0	0	0	240,000	240,000
KA0	AD0	03	Trans Elec System Implementation	0	0	46,700	0	46,700
KA0	AD0	08	Trans Elec System Implementation	0	0	115,000	0	115,000
KA0	AD0	07	Trans Elec System Implementation	0	0	172,500	0	172,500
KA0	AD0	04	Trans Elec System Implementation	0	0	173,225	0	173,225
KA0	AD0	05	Trans Elec System Implementation	0	0	262,500	0	262,500
KA0	AD0	06	Trans Elec System Implementation	0	0	540,000	0	540,000
KA0	AD3	03	FY 2003 Transportatopm Electrical Improvement	0	625,000	0	0	625,000
KA0	AD3	01	FY 2003 Transportatopm Electrical Improvement	0	660,000	0	0	660,000
KA0	AD3	02	FY 2003 Transportatopm Electrical Improvement	0	750,000	0	0	750,000
KA0	AD3	04	FY 2003 Transportatopm Electrical Improvement	0	6,200,000	0	0	6,200,000
KA0	ADT	08	Trans Elec System Improvement	0	0	0	188,762	188,762
KA0	ADT	10	Trans Elec System Improvement	0	0	0	286,157	286,157
KA0	ADT	08	Trans Elec System Improvement	0	0	47,191	0	47,191
KA0	ADT	10	Trans Elec System Improvement	0	0	71,539	0	71,539
KA0	AF0	04	Highway Aid Match Fund	0	0	0	40,000	40,000
KA0	AF0	05	Highway Aid Match Fund	0	0	0	488,000	488,000
KA0	AF0	06	Highway Aid Match Fund	0	0	0	594,880	594,880
KA0	AF0	12	Highway Aid Match Fund	0	0	0	997,067	997,067
KA0	AF0	13	Highway Aid Match Fund	0	0	0	822,001	822,001
KA0	AF0	15	Highway Aid Match Fund	0	0	0	72,000	72,000
KA0	AF0	22	Highway Aid Match Fund	0	0	0	341,000	341,000
KA0	AF0	04	Highway Aid Match Fund	0	0	10,000	0	10,000
KA0	AF0	15	Highway Aid Match Fund	0	0	18,000	0	18,000
KA0	AF0	05	Highway Aid Match Fund	0	0	122,000	0	122,000
KA0	AF0	06	Highway Aid Match Fund	0	0	148,720	0	148,720
KA0	AF0	13	Highway Aid Match Fund	0	0	205,500	0	205,500
KA0	AF0	12	Highway Aid Match Fund	0	0	249,267	0	249,267
KA0	AF0	22	Highway Aid Match Fund	0	0	319,688	0	319,688
KA0	AFT	12	Highway Aid Match Fund	0	0	0	92,000	92,000
KA0	AFT	13	Highway Aid Match Fund	0	0	0	920,000	920,000
KA0	AFT	31	Highway Aid Match Fund	0	0	0	1,320,000	1,320,000
KA0	AFT	37	Highway Aid Match Fund	0	0	0	80,000	80,000
KA0	AFT	38	Highway Aid Match Fund	0	0	0	264,000	264,000
KA0	AFT	40	Highway Aid Match Fund	0	0	0	604,735	604,735
KA0	AFT	52	Highway Aid Match Fund	0	0	0	2,868,675	2,868,675
KA0	AFT	57	Highway Aid Match Fund	0	0	0	62,500	62,500
KA0	AFT	18	Highway Aid Match Fund	0	0	10,000	0	10,000
KA0	AFT	37	Highway Aid Match Fund	0	0	20,000	0	20,000

**Table CA-3**  
**FY 2004 Appropriated Budget Authority Request**

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Agency Code	Project Code	Sub Project	Project Name	Local Funds	Local Street Maintenance (ROW Fees)	Highway Trust (Motor Fuel Tax)	Federal Grants	Total Authority Requested
KA0	AFT	12	Highway Aid Match Fund	0	0	23,000	0	23,000
KA0	AFT	38	Highway Aid Match Fund	0	0	66,000	0	66,000
KA0	AFT	40	Highway Aid Match Fund	0	0	122,547	0	122,547
KA0	AFT	13	Highway Aid Match Fund	0	0	230,000	0	230,000
KA0	AFT	31	Highway Aid Match Fund	0	0	330,000	0	330,000
KA0	AFT	52	Highway Aid Match Fund	0	0	581,325	0	581,325
KA0	CA3	05	FY 2004 Local Street Improvement	0	300,000	0	0	300,000
KA0	CA3	01	FY 2004 Local Street Improvement	0	950,000	0	0	950,000
KA0	CA3	03	FY 2004 Local Street Improvement	0	1,000,000	0	0	1,000,000
KA0	CA3	04	FY 2004 Local Street Improvement	0	1,622,756	0	0	1,622,756
KA0	CA3	02	FY 2004 Local Street Improvement	0	1,950,000	0	0	1,950,000
KA0	CB0	02	Traffic Safety Improvement	0	0	0	320,000	320,000
KA0	CB0	03	Traffic Safety Improvement	0	0	0	48,000	48,000
KA0	CB0	04	Traffic Safety Improvement	0	0	0	1,104,000	1,104,000
KA0	CB0	05	Traffic Safety Improvement	0	0	0	353,113	353,113
KA0	CB0	08	Traffic Safety Improvement	0	0	0	720,000	720,000
KA0	CB0	09	Traffic Safety Improvement	0	0	0	400,000	400,000
KA0	CB0	12	Traffic Safety Improvement	0	0	0	521,000	521,000
KA0	CB0	13	Traffic Safety Improvement	0	0	0	277,375	277,375
KA0	CB0	16	Traffic Safety Improvement	0	0	0	1,164,000	1,164,000
KA0	CB0	17	Traffic Safety Improvement	0	0	0	650,150	650,150
KA0	CB0	18	Traffic Safety Improvement	0	0	0	558,700	558,700
KA0	CB0	20	Traffic Safety Improvement	0	0	0	340,941	340,941
KA0	CB0	21	Traffic Safety Improvement	0	0	0	186,000	186,000
KA0	CB0	03	Traffic Safety Improvement	0	0	12,000	0	12,000
KA0	CB0	21	Traffic Safety Improvement	0	0	46,500	0	46,500
KA0	CB0	02	Traffic Safety Improvement	0	0	80,000	0	80,000
KA0	CB0	20	Traffic Safety Improvement	0	0	85,235	0	85,235
KA0	CB0	09	Traffic Safety Improvement	0	0	100,000	0	100,000
KA0	CB0	12	Traffic Safety Improvement	0	0	130,250	0	130,250
KA0	CB0	17	Traffic Safety Improvement	0	0	176,100	0	176,100
KA0	CB0	08	Traffic Safety Improvement	0	0	180,000	0	180,000
KA0	CB0	18	Traffic Safety Improvement	0	0	196,300	0	196,300
KA0	CB0	04	Traffic Safety Improvement	0	0	276,000	0	276,000
KA0	CB0	16	Traffic Safety Improvement	0	0	291,000	0	291,000
KA0	CBT	41	Traffic Safety Improvement	0	0	0	448,311	448,311
KA0	CBT	56	Traffic Safety Improvement	0	0	0	503,190	503,190
KA0	CBT	56	Traffic Safety Improvement	0	0	55,910	0	55,910
KA0	CBT	41	Traffic Safety Improvement	0	0	112,078	0	112,078
KA0	CD0	02	Bridge Rehabilitation	0	0	0	230,741	230,741
KA0	CD0	06	Bridge Rehabilitation	0	0	0	987,660	987,660
KA0	CD0	12	Bridge Rehabilitation	0	0	0	100,000	100,000
KA0	CD0	14	Bridge Rehabilitation	0	0	0	222,233	222,233
KA0	CD0	16	Bridge Rehabilitation	0	0	0	475,200	475,200
KA0	CD0	17	Bridge Rehabilitation	0	0	0	212,000	212,000
KA0	CD0	18	Bridge Rehabilitation	0	0	0	40,000	40,000
KA0	CD0	19	Bridge Rehabilitation	0	0	0	20,000	20,000



**Table CA-3**  
**FY 2004 Appropriated Budget Authority Request**

Agency Code	Project Code	Sub Project	Project Name	A	B	C	D	E=(A+B+C+D)
				Local Funds	Local Street Maintenance (ROW Fees)	Highway Trust (Motor Fuel Tax)	Federal Grants	Total Authority Requested
KA0	CD0	20	Bridge Rehabilitation	0	0	0	560,000	560,000
KA0	CD0	21	Bridge Rehabilitation	0	0	0	120,000	120,000
KA0	CD0	22	Bridge Rehabilitation	0	0	0	60,000	60,000
KA0	CD0	19	Bridge Rehabilitation	0	0	11,875	0	11,875
KA0	CD0	18	Bridge Rehabilitation	0	0	23,750	0	23,750
KA0	CD0	02	Bridge Rehabilitation	0	0	46,759	0	46,759
KA0	CD0	21	Bridge Rehabilitation	0	0	50,900	0	50,900
KA0	CD0	17	Bridge Rehabilitation	0	0	53,000	0	53,000
KA0	CD0	22	Bridge Rehabilitation	0	0	56,250	0	56,250
KA0	CD0	14	Bridge Rehabilitation	0	0	66,381	0	66,381
KA0	CD0	12	Bridge Rehabilitation	0	0	93,750	0	93,750
KA0	CD0	16	Bridge Rehabilitation	0	0	118,800	0	118,800
KA0	CD0	20	Bridge Rehabilitation	0	0	173,000	0	173,000
KA0	CD0	06	Bridge Rehabilitation	0	0	246,915	0	246,915
KA0	CDT	02	Bridge Rehabilitation	0	0	0	3,680,000	3,680,000
KA0	CDT	20	Bridge Rehabilitation	0	0	0	719,098	719,098
KA0	CDT	21	Bridge Rehabilitation	0	0	0	1,360,000	1,360,000
KA0	CDT	22	Bridge Rehabilitation	0	0	0	2,760,000	2,760,000
KA0	CDT	65	Bridge Rehabilitation	0	0	0	1,031,854	1,031,854
KA0	CDT	66	Bridge Rehabilitation	0	0	0	40,000	40,000
KA0	CDT	67	Bridge Rehabilitation	0	0	0	20,000	20,000
KA0	CDT	68	Bridge Rehabilitation	0	0	0	1,350,000	1,350,000
KA0	CDT	70	Bridge Rehabilitation	0	0	0	4,857,495	4,857,495
KA0	CDT	77	Bridge Rehabilitation	0	0	0	26,636	26,636
KA0	CDT	80	Bridge Rehabilitation	0	0	0	2,473,060	2,473,060
KA0	CDT	90	Bridge Rehabilitation	0	0	0	644,000	644,000
KA0	CDT	91	Bridge Rehabilitation	0	0	0	160,000	160,000
KA0	CDT	92	Bridge Rehabilitation	0	0	0	920,000	920,000
KA0	CDT	93	Bridge Rehabilitation	0	0	0	299,386	299,386
KA0	CDT	94	Bridge Rehabilitation	0	0	0	298,027	298,027
KA0	CDT	95	Bridge Rehabilitation	0	0	0	120,000	120,000
KA0	CDT	96	Bridge Rehabilitation	0	0	0	222,814	222,814
KA0	CDT	97	Bridge Rehabilitation	0	0	0	313,503	313,503
KA0	CDT	A3	Bridge Rehabilitation	0	0	0	3,150,000	3,150,000
KA0	CDT	A5	Bridge Rehabilitation	0	0	0	217,604	217,604
KA0	CDT	B1	Bridge Rehabilitation	0	0	0	922,000	922,000
KA0	CDT	B5	Bridge Rehabilitation	0	0	0	2,868,675	2,868,675
KA0	CDT	B7	Bridge Rehabilitation	0	0	0	40,000	40,000
KA0	CDT	B9	Bridge Rehabilitation	0	0	0	496,651	496,651
KA0	CDT	C2	Bridge Rehabilitation	0	0	0	669,920	669,920
KA0	CDT	C4	Bridge Rehabilitation	0	0	0	1,696,160	1,696,160
KA0	CDT	C5	Bridge Rehabilitation	0	0	0	2,430,592	2,430,592
KA0	CDT	D3	Bridge Rehabilitation	0	0	0	1,012,872	1,012,872
KA0	CDT	D4	Bridge Rehabilitation	0	0	0	2,008,072	2,008,072
KA0	CDT	E6	Bridge Rehabilitation	0	0	0	983,392	983,392
KA0	CDT	77	Bridge Rehabilitation	0	0	2,960	0	2,960
KA0	CDT	67	Bridge Rehabilitation	0	0	5,000	0	5,000

**Table CA-3**  
**FY 2004 Appropriated Budget Authority Request**

				A	B	C	D	E=(A+B+C+D)
Agency Code	Project Code	Sub Project	Project Name	Local Funds	Local Street Maintenance (ROW Fees)	Highway Trust (Motor Fuel Tax)	Federal Grants	Total Authority Requested
KA0	CDT	66	Bridge Rehabilitation	0	0	10,000	0	10,000
KA0	CDT	B7	Bridge Rehabilitation	0	0	10,000	0	10,000
KA0	CDT	95	Bridge Rehabilitation	0	0	30,000	0	30,000
KA0	CDT	91	Bridge Rehabilitation	0	0	40,000	0	40,000
KA0	CDT	A5	Bridge Rehabilitation	0	0	54,401	0	54,401
KA0	CDT	96	Bridge Rehabilitation	0	0	55,704	0	55,704
KA0	CDT	94	Bridge Rehabilitation	0	0	74,506	0	74,506
KA0	CDT	93	Bridge Rehabilitation	0	0	74,847	0	74,847
KA0	CDT	97	Bridge Rehabilitation	0	0	78,376	0	78,376
KA0	CDT	B9	Bridge Rehabilitation	0	0	100,644	0	100,644
KA0	CDT	68	Bridge Rehabilitation	0	0	150,000	0	150,000
KA0	CDT	90	Bridge Rehabilitation	0	0	161,000	0	161,000
KA0	CDT	C2	Bridge Rehabilitation	0	0	167,480	0	167,480
KA0	CDT	20	Bridge Rehabilitation	0	0	179,774	0	179,774
KA0	CDT	E6	Bridge Rehabilitation	0	0	199,281	0	199,281
KA0	CDT	D3	Bridge Rehabilitation	0	0	205,255	0	205,255
KA0	CDT	92	Bridge Rehabilitation	0	0	230,000	0	230,000
KA0	CDT	B1	Bridge Rehabilitation	0	0	230,500	0	230,500
KA0	CDT	65	Bridge Rehabilitation	0	0	257,964	0	257,964
KA0	CDT	21	Bridge Rehabilitation	0	0	340,000	0	340,000
KA0	CDT	A3	Bridge Rehabilitation	0	0	350,000	0	350,000
KA0	CDT	D4	Bridge Rehabilitation	0	0	406,928	0	406,928
KA0	CDT	C4	Bridge Rehabilitation	0	0	424,040	0	424,040
KA0	CDT	C5	Bridge Rehabilitation	0	0	492,550	0	492,550
KA0	CDT	B5	Bridge Rehabilitation	0	0	581,325	0	581,325
KA0	CDT	80	Bridge Rehabilitation	0	0	618,265	0	618,265
KA0	CDT	22	Bridge Rehabilitation	0	0	690,000	0	690,000
KA0	CDT	02	Bridge Rehabilitation	0	0	920,000	0	920,000
KA0	CDT	70	Bridge Rehabilitation	0	0	1,214,374	0	1,214,374
KA0	CE3	03	FY 2003 Roadway Improvements	0	675,000	0	0	675,000
KA0	CE3	04	FY 2003 Roadway Improvements	0	1,322,844	0	0	1,322,844
KA0	CE3	01	FY 2003 Roadway Improvements	0	1,350,000	0	0	1,350,000
KA0	CE3	02	FY 2003 Roadway Improvements	0	3,250,000	0	0	3,250,000
KA0	CET	J7	Roadway Resurfacing	0	0	0	2,100,471	2,100,471
KA0	CET	L8	Roadway Resurfacing	0	0	0	1,242,000	1,242,000
KA0	CET	L8	Roadway Resurfacing	0	0	310,500	0	310,500
KA0	CET	J7	Roadway Resurfacing	0	0	425,652	0	425,652
KA0	CG0	01	Roadside Improvements	0	0	0	332,392	332,392
KA0	CG0	02	Roadside Improvements	0	0	0	315,554	315,554
KA0	CG0	03	Roadside Improvements	0	0	0	70,720	70,720
KA0	CG0	04	Roadside Improvements	0	0	0	104,120	104,120
KA0	CG0	05	Roadside Improvements	0	0	0	104,120	104,120
KA0	CG0	06	Roadside Improvements	0	0	0	113,777	113,777
KA0	CG0	17	Roadside Improvements	0	0	0	822,400	822,400
KA0	CG0	06	Roadside Improvements	0	0	27,224	0	27,224
KA0	CG0	04	Roadside Improvements	0	0	36,880	0	36,880
KA0	CG0	05	Roadside Improvements	0	0	36,880	0	36,880

**Table CA-3**  
**FY 2004 Appropriated Budget Authority Request**

Agency Code	Project Code	Sub Project	Project Name	A	B	C	D	E=(A+B+C+D)
				Local Funds	Local Street Maintenance (ROW Fees)	Highway Trust (Motor Fuel Tax)	Federal Grants	Total Authority Requested
KA0	CG0	02	Roadside Improvements	0	0	63,946	0	63,946
KA0	CG0	03	Roadside Improvements	0	0	65,280	0	65,280
KA0	CG0	01	Roadside Improvements	0	0	67,358	0	67,358
KA0	CG0	17	Roadside Improvements	0	0	365,100	0	365,100
KA0	CG0	14	Roadside Improvements	0	0	454,880	0	454,880
KA0	CG0	15	Roadside Improvements	0	0	454,880	0	454,880
KA0	CG3	07	FY 2003 Local Roadside Improvements	0	65,000	0	0	65,000
KA0	CG3	08	FY 2003 Local Roadside Improvements	0	480,000	0	0	480,000
KA0	CG3	09	FY 2003 Local Roadside Improvements	0	480,000	0	0	480,000
KA0	CG3	10	FY 2003 Local Roadside Improvements	0	675,000	0	0	675,000
KA0	CG3	01	FY 2003 Local Roadside Improvements	0	845,000	0	0	845,000
KA0	CG3	02	FY 2003 Local Roadside Improvements	0	845,000	0	0	845,000
KA0	CG3	03	FY 2003 Local Roadside Improvements	0	845,000	0	0	845,000
KA0	CG3	04	FY 2003 Local Roadside Improvements	0	845,000	0	0	845,000
KA0	CG3	05	FY 2003 Local Roadside Improvements	0	960,000	0	0	960,000
KA0	CG3	06	FY 2003 Local Roadside Improvements	0	960,000	0	0	960,000
KA0	CHT	23	Traffic Safety Improvements	0	0	0	1,794,000	1,794,000
KA0	CHT	23	Traffic Safety Improvements	0	0	448,500	0	448,500
KA0	CIO	08	Traffic Operation Improvments	0	0	0	69,748	69,748
KA0	CIO	10	Traffic Operation Improvments	0	0	0	629,828	629,828
KA0	CIO	11	Traffic Operation Improvments	0	0	0	287,500	287,500
KA0	CIO	12	Traffic Operation Improvments	0	0	0	962,500	962,500
KA0	CIO	13	Traffic Operation Improvments	0	0	0	3,887,500	3,887,500
KA0	CIO	14	Traffic Operation Improvments	0	0	0	5,402,475	5,402,475
KA0	CIO	15	Traffic Operation Improvments	0	0	0	1,350,619	1,350,619
KA0	CIO	15	Traffic Operation Improvments	0	0	31,246	0	31,246
KA0	CIO	12	Traffic Operation Improvments	0	0	37,500	0	37,500
KA0	CIO	13	Traffic Operation Improvments	0	0	112,500	0	112,500
KA0	CIO	14	Traffic Operation Improvments	0	0	124,984	0	124,984
KA0	CIT	85	Traffic Operation Improvments	0	0	0	1,750,000	1,750,000
KA0	CIT	98	Traffic Operation Improvments	0	0	0	675,000	675,000
KA0	CIT	A3	Traffic Operation Improvments	0	0	0	3,559,412	3,559,412
KA0	CIT	A4	Traffic Operation Improvments	0	0	0	552,000	552,000
KA0	CIT	A5	Traffic Operation Improvments	0	0	0	2,530,000	2,530,000
KA0	CIT	C1	Traffic Operation Improvments	0	0	0	124,725	124,725
KA0	CIT	C2	Traffic Operation Improvments	0	0	0	124,725	124,725
KA0	CIT	C1	Traffic Operation Improvments	0	0	25,275	0	25,275
KA0	CIT	C2	Traffic Operation Improvments	0	0	25,275	0	25,275
KA0	CK0	06	Roadway Reconstruction	0	0	0	76,245	76,245
KA0	CK0	09	Roadway Reconstruction	0	0	0	443,189	443,189
KA0	CK0	12	Roadway Reconstruction	0	0	0	219,308	219,308
KA0	CK0	14	Roadway Reconstruction	0	0	0	438,616	438,616
KA0	CK0	19	Roadway Reconstruction	0	0	0	42,800	42,800
KA0	CK0	20	Roadway Reconstruction	0	0	0	720,000	720,000
KA0	CK0	21	Roadway Reconstruction	0	0	0	50,000	50,000
KA0	CK0	22	Roadway Reconstruction	0	0	0	140,000	140,000
KA0	CK0	23	Roadway Reconstruction	0	0	0	108,000	108,000

**Table CA-3**  
**FY 2004 Appropriated Budget Authority Request**

Agency Code	Project Code	Sub Project	Project Name	A	B	C	D	E=(A+B+C+D)
				Local Funds	Local Street Maintenance (ROW Fees)	Highway Trust (Motor Fuel Tax)	Federal Grants	Total Authority Requested
KA0	CK0	24	Roadway Reconstruction	0	0	0	94,000	94,000
KA0	CK0	25	Roadway Reconstruction	0	0	0	54,580	54,580
KA0	CK0	19	Roadway Reconstruction	0	0	16,585	0	16,585
KA0	CK0	25	Roadway Reconstruction	0	0	17,770	0	17,770
KA0	CK0	06	Roadway Reconstruction	0	0	19,061	0	19,061
KA0	CK0	21	Roadway Reconstruction	0	0	19,376	0	19,376
KA0	CK0	24	Roadway Reconstruction	0	0	30,375	0	30,375
KA0	CK0	23	Roadway Reconstruction	0	0	43,500	0	43,500
KA0	CK0	12	Roadway Reconstruction	0	0	44,442	0	44,442
KA0	CK0	22	Roadway Reconstruction	0	0	48,750	0	48,750
KA0	CK0	14	Roadway Reconstruction	0	0	88,884	0	88,884
KA0	CK0	09	Roadway Reconstruction	0	0	89,811	0	89,811
KA0	CK0	20	Roadway Reconstruction	0	0	262,500	0	262,500
KA0	CK3	01	Roadway Reconstruction	0	500,000	0	0	500,000
KA0	CKT	61	Roadway Reconstruction	0	0	0	804,996	804,996
KA0	CKT	64	Roadway Reconstruction	0	0	0	3,105,938	3,105,938
KA0	CKT	69	Roadway Reconstruction	0	0	0	2,459,913	2,459,913
KA0	CKT	74	Roadway Reconstruction	0	0	0	879,725	879,725
KA0	CKT	80	Roadway Reconstruction	0	0	0	458,817	458,817
KA0	CKT	82	Roadway Reconstruction	0	0	0	160,000	160,000
KA0	CKT	83	Roadway Reconstruction	0	0	0	1,554,905	1,554,905
KA0	CKT	86	Roadway Reconstruction	0	0	0	82,948	82,948
KA0	CKT	88	Roadway Reconstruction	0	0	0	286,868	286,868
KA0	CKT	89	Roadway Reconstruction	0	0	0	2,199,317	2,199,317
KA0	CKT	90	Roadway Reconstruction	0	0	0	478,113	478,113
KA0	CKT	91	Roadway Reconstruction	0	0	0	113,458	113,458
KA0	CKT	95	Roadway Reconstruction	0	0	0	274,400	274,400
KA0	CKT	96	Roadway Reconstruction	0	0	0	1,532,800	1,532,800
KA0	CKT	A2	Roadway Reconstruction	0	0	0	1,689,989	1,689,989
KA0	CKT	A6	Roadway Reconstruction	0	0	0	519,688	519,688
KA0	CKT	A8	Roadway Reconstruction	0	0	0	956,225	956,225
KA0	CKT	B1	Roadway Reconstruction	0	0	0	156,378	156,378
KA0	CKT	B2	Roadway Reconstruction	0	0	0	5,737,350	5,737,350
KA0	CKT	B6	Roadway Reconstruction	0	0	0	1,977,784	1,977,784
KA0	CKT	C1	Roadway Reconstruction	0	0	0	249,450	249,450
KA0	CKT	C2	Roadway Reconstruction	0	0	0	92,713	92,713
KA0	CKT	C3	Roadway Reconstruction	0	0	0	429,944	429,944
KA0	CKT	C2	Roadway Reconstruction	0	0	18,788	0	18,788
KA0	CKT	86	Roadway Reconstruction	0	0	20,737	0	20,737
KA0	CKT	91	Roadway Reconstruction	0	0	22,992	0	22,992
KA0	CKT	B1	Roadway Reconstruction	0	0	39,094	0	39,094
KA0	CKT	82	Roadway Reconstruction	0	0	40,000	0	40,000
KA0	CKT	C1	Roadway Reconstruction	0	0	50,550	0	50,550
KA0	CKT	88	Roadway Reconstruction	0	0	58,133	0	58,133
KA0	CKT	95	Roadway Reconstruction	0	0	68,600	0	68,600
KA0	CKT	C3	Roadway Reconstruction	0	0	87,126	0	87,126
KA0	CKT	80	Roadway Reconstruction	0	0	92,977	0	92,977

**Table CA-3**  
**FY 2004 Appropriated Budget Authority Request**

				A	B	C	D	E=(A+B+C+D)
Agency Code	Project Code	Sub Project	Project Name	Local Funds	Local Street Maintenance (ROW Fees)	Highway Trust (Motor Fuel Tax)	Federal Grants	Total Authority Requested
KA0	CKT	90	Roadway Reconstruction	0	0	96,888	0	96,888
KA0	CKT	A6	Roadway Reconstruction	0	0	105,313	0	105,313
KA0	CKT	A8	Roadway Reconstruction	0	0	193,775	0	193,775
KA0	CKT	61	Roadway Reconstruction	0	0	201,249	0	201,249
KA0	CKT	74	Roadway Reconstruction	0	0	219,931	0	219,931
KA0	CKT	83	Roadway Reconstruction	0	0	315,095	0	315,095
KA0	CKT	A2	Roadway Reconstruction	0	0	342,470	0	342,470
KA0	CKT	96	Roadway Reconstruction	0	0	383,200	0	383,200
KA0	CKT	B6	Roadway Reconstruction	0	0	400,771	0	400,771
KA0	CKT	89	Roadway Reconstruction	0	0	445,683	0	445,683
KA0	CKT	69	Roadway Reconstruction	0	0	498,490	0	498,490
KA0	CKT	64	Roadway Reconstruction	0	0	629,405	0	629,405
KA0	CKT	B2	Roadway Reconstruction	0	0	1,162,650	0	1,162,650
KA0	CM0	08	Congestion Mitigation and Air Quality	0	0	0	249,450	249,450
KA0	CM0	09	Congestion Mitigation and Air Quality	0	0	0	800,000	800,000
KA0	CM0	10	Congestion Mitigation and Air Quality	0	0	0	914,650	914,650
KA0	CM0	17	Congestion Mitigation and Air Quality	0	0	0	53,200	53,200
KA0	CM0	18	Congestion Mitigation and Air Quality	0	0	0	34,923	34,923
KA0	CM0	19	Congestion Mitigation and Air Quality	0	0	0	165,333	165,333
KA0	CM0	20	Congestion Mitigation and Air Quality	0	0	0	97,754	97,754
KA0	CM0	21	Congestion Mitigation and Air Quality	0	0	0	167,850	167,850
KA0	CM0	22	Congestion Mitigation and Air Quality	0	0	0	81,500	81,500
KA0	CM0	23	Congestion Mitigation and Air Quality	0	0	0	480,000	480,000
KA0	CM0	24	Congestion Mitigation and Air Quality	0	0	0	168,894	168,894
KA0	CM0	25	Congestion Mitigation and Air Quality	0	0	0	97,754	97,754
KA0	CM0	26	Congestion Mitigation and Air Quality	0	0	0	167,850	167,850
KA0	CM0	27	Congestion Mitigation and Air Quality	0	0	0	53,200	53,200
KA0	CM0	28	Congestion Mitigation and Air Quality	0	0	0	34,923	34,923
KA0	CM0	29	Congestion Mitigation and Air Quality	0	0	0	81,500	81,500
KA0	CM0	30	Congestion Mitigation and Air Quality	0	0	0	197,120	197,120
KA0	CM0	31	Congestion Mitigation and Air Quality	0	0	0	99,336	99,336
KA0	CM0	32	Congestion Mitigation and Air Quality	0	0	0	1,200,000	1,200,000
KA0	CM0	33	Congestion Mitigation and Air Quality	0	0	0	1,200,000	1,200,000
KA0	CM0	34	Congestion Mitigation and Air Quality	0	0	0	160,000	160,000
KA0	CM0	18	Congestion Mitigation and Air Quality	0	0	7,077	0	7,077
KA0	CM0	28	Congestion Mitigation and Air Quality	0	0	7,077	0	7,077
KA0	CM0	08	Congestion Mitigation and Air Quality	0	0	50,550	0	50,550
KA0	CM0	06	Congestion Mitigation and Air Quality	0	0	54,000	0	54,000
KA0	CM0	30	Congestion Mitigation and Air Quality	0	0	59,444	0	59,444
KA0	CM0	34	Congestion Mitigation and Air Quality	0	0	74,203	0	74,203
KA0	CM0	31	Congestion Mitigation and Air Quality	0	0	93,129	0	93,129
KA0	CM0	23	Congestion Mitigation and Air Quality	0	0	161,250	0	161,250
KA0	CM0	10	Congestion Mitigation and Air Quality	0	0	185,350	0	185,350
KA0	CM0	09	Congestion Mitigation and Air Quality	0	0	200,000	0	200,000
KA0	CM0	32	Congestion Mitigation and Air Quality	0	0	300,000	0	300,000
KA0	CM0	33	Congestion Mitigation and Air Quality	0	0	300,000	0	300,000
KA0	CMT	29	Congestion Mitigation and Air Quality	0	0	0	3,533,875	3,533,875

**Table CA-3**  
**FY 2004 Appropriated Budget Authority Request**

				A	B	C	D	E=(A+B+C+D)
Agency Code	Project Code	Sub Project	Project Name	Local Funds	Local Street Maintenance (ROW Fees)	Highway Trust (Motor Fuel Tax)	Federal Grants	Total Authority Requested
KA0	CMT	29	Congestion Mitigation and Air Quality	0	0	716,125	0	716,125
KA0	ED0	01	Economic Development	0	0	0	4,534,793	4,534,793
KA0	ED0	02	Economic Development	0	0	0	6,995,618	6,995,618
KA0	ED0	03	Economic Development	0	0	0	128,882	128,882
KA0	ED0	04	Economic Development	0	0	0	774,750	774,750
KA0	ED0	05	Economic Development	0	0	0	1,033,001	1,033,001
KA0	ED0	03	Economic Development	0	0	26,118	0	26,118
KA0	ED0	04	Economic Development	0	0	193,688	0	193,688
KA0	ED0	05	Economic Development	0	0	258,250	0	258,250
KA0	ED0	01	Economic Development	0	0	918,957	0	918,957
KA0	ED0	02	Economic Development	0	0	1,417,633	0	1,417,633
KA0	ED3	01	FY 2003 Local Economic Development	0	80,000	0	0	80,000
KA0	ED3	04	FY 2003 Local Economic Development	0	100,000	0	0	100,000
KA0	ED3	05	FY 2003 Local Economic Development	0	440,000	0	0	440,000
KA0	ED3	03	FY 2003 Local Economic Development	0	579,400	0	0	579,400
KA0	ED3	02	FY 2003 Local Economic Development	0	730,000	0	0	730,000
KA0	FDT	04	Federal Demonstration	0	0	0	1,700,000	1,700,000
KA0	FDT	05	Federal Demonstration	0	0	0	2,240,000	2,240,000
KA0	FDT	08	Federal Demonstration	0	0	0	330,000	330,000
KA0	FDT	11	Federal Demonstration	0	0	0	3,000,000	3,000,000
KA0	FDT	16	Federal Demonstration	0	0	0	3,000,000	3,000,000
KA0	FDT	18	Federal Demonstration	0	0	0	306,800	306,800
KA0	FDT	18	Federal Demonstration	0	0	76,700	0	76,700
KA0	FDT	08	Federal Demonstration	0	0	82,500	0	82,500
KA0	FDT	04	Federal Demonstration	0	0	425,000	0	425,000
KA0	FDT	05	Federal Demonstration	0	0	560,000	0	560,000
KA0	FDT	11	Federal Demonstration	0	0	750,000	0	750,000
KA0	FDT	16	Federal Demonstration	0	0	750,000	0	750,000
KA0	IRT	08	BESTE/STEA Reauthorization	0	0	0	3,269,475	3,269,475
KA0	IRT	09	BESTE/STEA Reauthorization	0	0	0	3,804,491	3,804,491
KA0	IRT	20	BESTE/STEA Reauthorization	0	0	0	1,052,415	1,052,415
KA0	IRT	21	BESTE/STEA Reauthorization	0	0	0	1,305,288	1,305,288
KA0	IRT	22	BESTE/STEA Reauthorization	0	0	0	4,250,000	4,250,000
KA0	IRT	36	BESTE/STEA Reauthorization	0	0	0	1,870,000	1,870,000
KA0	IRT	37	BESTE/STEA Reauthorization	0	0	0	5,901,125	5,901,125
KA0	IRT	74	BESTE/STEA Reauthorization	0	0	0	166,856	166,856
KA0	IRT	78	BESTE/STEA Reauthorization	0	0	0	13,501,269	13,501,269
KA0	IRT	79	BESTE/STEA Reauthorization	0	0	0	7,263,402	7,263,402
KA0	IRT	74	BESTE/STEA Reauthorization	0	0	29,446	0	29,446
KA0	IRT	20	BESTE/STEA Reauthorization	0	0	185,721	0	185,721
KA0	IRT	21	BESTE/STEA Reauthorization	0	0	230,346	0	230,346
KA0	IRT	36	BESTE/STEA Reauthorization	0	0	330,000	0	330,000
KA0	IRT	08	BESTE/STEA Reauthorization	0	0	576,966	0	576,966
KA0	IRT	09	BESTE/STEA Reauthorization	0	0	671,380	0	671,380
KA0	IRT	22	BESTE/STEA Reauthorization	0	0	750,000	0	750,000
KA0	IRT	37	BESTE/STEA Reauthorization	0	0	1,041,375	0	1,041,375
KA0	IRT	79	BESTE/STEA Reauthorization	0	0	1,281,777	0	1,281,777

**Table CA-3**  
**FY 2004 Appropriated Budget Authority Request**

				A	B	C	D	E=(A+B+C+D)
Agency Code	Project Code	Sub Project	Project Name	Local Funds	Local Street Maintenance (ROW Fees)	Highway Trust (Motor Fuel Tax)	Federal Grants	Total Authority Requested
KA0	IRT	78	BESTE/STE A Reauthorization	0	0	2,382,577	0	2,382,577
KA0	PM0	14	Federal Plan and Management System	0	0	0	720,000	720,000
KA0	PM0	15	Federal Plan and Management System	0	0	0	997,723	997,723
KA0	PM0	20	Federal Plan and Management System	0	0	0	1,972,849	1,972,849
KA0	PM0	21	Federal Plan and Management System	0	0	0	1,017,678	1,017,678
KA0	PM0	21	Federal Plan and Management System	0	0	127,210	0	127,210
KA0	PM0	14	Federal Plan and Management System	0	0	180,000	0	180,000
KA0	PM0	15	Federal Plan and Management System	0	0	249,431	0	249,431
KA0	PM0	20	Federal Plan and Management System	0	0	493,212	0	493,212
KA0	PMT	16	Federal Plan and Management System	0	0	0	160,000	160,000
KA0	PMT	23	Federal Plan and Management System	0	0	0	877,982	877,982
KA0	PMT	26	Federal Plan and Management System	0	0	0	1,200,000	1,200,000
KA0	PMT	28	Federal Plan and Management System	0	0	0	960,000	960,000
KA0	PMT	16	Federal Plan and Management System	0	0	40,000	0	40,000
KA0	PMT	23	Federal Plan and Management System	0	0	219,496	0	219,496
KA0	PMT	28	Federal Plan and Management System	0	0	240,000	0	240,000
KA0	PMT	26	Federal Plan and Management System	0	0	300,000	0	300,000
KA0	PMT	04	Federal Plan and Management System	0	0	2,197,654	0	2,197,654
KA0	SR0	01	Street Rehabilitation Program	0	0	0	225,100	225,100
KA0	SR0	02	Street Rehabilitation Program	0	0	0	1,204,302	1,204,302
KA0	SR0	03	Street Rehabilitation Program	0	0	0	1,190,478	1,190,478
KA0	SR0	04	Street Rehabilitation Program	0	0	0	593,119	593,119
KA0	SR0	05	Street Rehabilitation Program	0	0	0	116,224	116,224
KA0	SR0	06	Street Rehabilitation Program	0	0	0	864,545	864,545
KA0	SR0	07	Street Rehabilitation Program	0	0	0	639,188	639,188
KA0	SR0	08	Street Rehabilitation Program	0	0	0	324,700	324,700
KA0	SR0	09	Street Rehabilitation Program	0	0	0	803,653	803,653
KA0	SR0	10	Street Rehabilitation Program	0	0	0	629,084	629,084
KA0	SR0	11	Street Rehabilitation Program	0	0	0	313,093	313,093
KA0	SR0	12	Street Rehabilitation Program	0	0	0	313,093	313,093
KA0	SR0	13	Street Rehabilitation Program	0	0	0	254,494	254,494
KA0	SR0	14	Street Rehabilitation Program	0	0	0	1,523,832	1,523,832
KA0	SR0	15	Street Rehabilitation Program	0	0	0	166,300	166,300
KA0	SR0	16	Street Rehabilitation Program	0	0	0	207,875	207,875
KA0	SR0	17	Street Rehabilitation Program	0	0	0	51,447	51,447
KA0	SR0	18	Street Rehabilitation Program	0	0	0	252,713	252,713
KA0	SR0	19	Street Rehabilitation Program	0	0	0	76,442	76,442
KA0	SR0	20	Street Rehabilitation Program	0	0	0	117,860	117,860
KA0	SR0	21	Street Rehabilitation Program	0	0	0	66,929	66,929
KA0	SR0	22	Street Rehabilitation Program	0	0	0	86,513	86,513
KA0	SR0	23	Street Rehabilitation Program	0	0	0	475,377	475,377
KA0	SR0	24	Street Rehabilitation Program	0	0	0	249,450	249,450
KA0	SR0	25	Street Rehabilitation Program	0	0	0	291,025	291,025
KA0	SR0	17	Street Rehabilitation Program	0	0	10,425	0	10,425
KA0	SR0	21	Street Rehabilitation Program	0	0	13,563	0	13,563
KA0	SR0	19	Street Rehabilitation Program	0	0	15,492	0	15,492
KA0	SR0	22	Street Rehabilitation Program	0	0	17,531	0	17,531

**Table CA-3**  
**FY 2004 Appropriated Budget Authority Request**

				A	B	C	D	E=(A+B+C+D)
Agency Code	Project Code	Sub Project	Project Name	Local Funds	Local Street Maintenance (ROW Fees)	Highway Trust (Motor Fuel Tax)	Federal Grants	Total Authority Requested
KA0	SR0	05	Street Rehabilitation Program	0	0	23,554	0	23,554
KA0	SR0	20	Street Rehabilitation Program	0	0	23,884	0	23,884
KA0	SR0	15	Street Rehabilitation Program	0	0	33,700	0	33,700
KA0	SR0	16	Street Rehabilitation Program	0	0	42,125	0	42,125
KA0	SR0	01	Street Rehabilitation Program	0	0	45,616	0	45,616
KA0	SR0	24	Street Rehabilitation Program	0	0	50,550	0	50,550
KA0	SR0	18	Street Rehabilitation Program	0	0	51,210	0	51,210
KA0	SR0	13	Street Rehabilitation Program	0	0	51,572	0	51,572
KA0	SR0	25	Street Rehabilitation Program	0	0	58,975	0	58,975
KA0	SR0	12	Street Rehabilitation Program	0	0	63,447	0	63,447
KA0	SR0	11	Street Rehabilitation Program	0	0	63,447	0	63,447
KA0	SR0	08	Street Rehabilitation Program	0	0	65,799	0	65,799
KA0	SR0	23	Street Rehabilitation Program	0	0	96,333	0	96,333
KA0	SR0	04	Street Rehabilitation Program	0	0	120,193	0	120,193
KA0	SR0	10	Street Rehabilitation Program	0	0	127,481	0	127,481
KA0	SR0	07	Street Rehabilitation Program	0	0	129,528	0	129,528
KA0	SR0	09	Street Rehabilitation Program	0	0	162,857	0	162,857
KA0	SR0	06	Street Rehabilitation Program	0	0	175,196	0	175,196
KA0	SR0	03	Street Rehabilitation Program	0	0	241,245	0	241,245
KA0	SR0	02	Street Rehabilitation Program	0	0	244,047	0	244,047
KA0	SR0	14	Street Rehabilitation Program	0	0	308,798	0	308,798
KA0	SR3	02	FY 2003 Local Street Rehabilitation program	0	1,028,215	0	0	1,028,215
KA0	SR3	01	FY 2003 Local Street Rehabilitation program	0	1,028,255	0	0	1,028,255
KA0	SR3	03	FY 2003 Local Street Rehabilitation program	0	1,028,255	0	0	1,028,255
KA0	SR3	04	FY 2003 Local Street Rehabilitation program	0	1,028,255	0	0	1,028,255
KA0	SR3	05	FY 2003 Local Street Rehabilitation program	0	1,028,255	0	0	1,028,255
KA0	SR3	06	FY 2003 Local Street Rehabilitation program	0	1,028,255	0	0	1,028,255
KA0	SR3	07	FY 2003 Local Street Rehabilitation program	0	1,028,255	0	0	1,028,255
KA0	SR3	08	FY 2003 Local Street Rehabilitation program	0	1,028,255	0	0	1,028,255
KA0	ZU0	02	Bicycle Network	0	0	0	576,059	576,059
KA0	ZU0	02	Bicycle Network	0	0	160,110	0	160,110
KA0	ZUT	02	Bicycle Program	0	0	0	207,875	207,875
KA0	ZUT	03	Bicycle Program	0	0	0	54,728	54,728
KA0	ZUT	04	Bicycle Program	0	0	0	280,902	280,902
KA0	ZUT	05	Bicycle Program	0	0	0	246,041	246,041
KA0	ZUT	06	Bicycle Program	0	0	0	478,112	478,112
KA0	ZUT	07	Bicycle Program	0	0	0	300,000	300,000
KA0	ZUT	03	Bicycle Program	0	0	11,091	0	11,091
KA0	ZUT	02	Bicycle Program	0	0	42,125	0	42,125
KA0	ZUT	05	Bicycle Program	0	0	49,859	0	49,859
KA0	ZUT	06	Bicycle Program	0	0	96,888	0	96,888
KA0	ZXT	01	Minnesota Avenue Extension	0	0	0	49,200	49,200
KA0	ZXT	01	Minnesota Avenue Extension	0	0	12,300	0	12,300
<b>KA0 Total</b>				<b>3,500,000</b>	<b>38,311,000</b>	<b>46,014,041</b>	<b>218,879,748</b>	<b>306,704,789</b>
<b>WMATA</b>	SA2	02	Metrobus	64,900,000	0	0	0	64,900,000
<b>KE0</b>	SA3	01	Metrorail Rehab	76,800,000	0	0	0	76,800,000



**Table CA-3**  
**FY 2004 Appropriated Budget Authority Request**

				A	B	C	D	E=(A+B+C+D)
Agency Code	Project Code	Sub Project	Project Name	Local Funds	Local Street Maintenance (ROW Fees)	Highway Trust (Motor Fuel Tax)	Federal Grants	Total Authority Requested
KE0	SA3	05	Metrorail Rehab	231,200,000	0	0	0	231,200,000
<b>KE0 Total</b>				<b>372,900,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>372,900,000</b>
Department	FM5	01	Facility Construction	300,000	0	0	0	300,000
KT0	SW1	01	Solid Waste Transfer S	200,000	0	0	0	200,000
KT0	SW2	01	Solid Waste Reduction Center	4,100,000	0	0	0	4,100,000
KT0	SW4	01	SWMA - Solid Waste Managemnt	4,000,000	0	0	0	4,000,000
KT0	EQ9	10	Major Equipment Acquisition	2,700,000	0	0	0	2,700,000
<b>KT0 Total</b>				<b>11,300,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>11,300,000</b>
<b>Department of Motor Vehicles</b>								
KV0	MV9	01	REHAB. OF DMV Facility @ Brentwood Rd.	-400,000	0	0	0	-400,000
KV0	WA1	41	IT Infrastructure 301 C Street NW	-268,707	0	0	0	-268,707
KV0	WA2	41	65 K Street NW	-113,230	0	0	0	-113,230
KV0	WA4	26	SW Inspection Station	1,146,000	0	0	0	1,146,000
KV0	WA5	40	IT Infrastructure	4,200,000	0	0	0	4,200,000
KV0	WA6	40	IT Infrastructure	8,250,000	0	0	0	8,250,000
KV0	EQ7	01	Motor Vehicle Information SYS@Municip	-535,246	0	0	0	-535,246
<b>KV0 Total</b>				<b>12,278,817</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>12,278,817</b>
<b>Commission on Mental Health Services</b>								
RM0	HX4	01	Construct/Renovate New	3,100,000	0	0	0	3,100,000
RM0	HX4	03	Construct/Renovate New	5,500,000	0	0	0	5,500,000
RM0	XA5	37	ST. Elizabeth's Hospital General Improvements	10,859,166	0	0	0	10,859,166
RM0	XA6	27	St. Elizabeths Hospital Information System	2,300,000	0	0	0	2,300,000
RM0	XA7	37	Renovation of DMH North Center Building	8,870,537	0	0	0	8,870,537
<b>RM0 Total</b>				<b>30,629,703</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>30,629,703</b>
<b>Office of the Chief Technology Officer</b>								
TO0	N16	01	District Reporting System	21,090,000	0	0	0	21,090,000
TO0	N16	16	MPD Distributed Prisoner Booking	-1,200,000	0	0	0	-1,200,000
TO0	N17	11	IT Security	3,000,000	0	0	0	3,000,000
TO0	N17	12	Seat Management	1,500,000	0	0	0	1,500,000
TO0	N17	13	APEX DMV	6,000,000	0	0	0	6,000,000
TO0	N18	01	Facility Improvements	11,300,000	0	0	0	11,300,000
<b>TO0 Total</b>				<b>41,690,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>41,690,000</b>
<b>Grand Total</b>				<b>601,707,767</b>	<b>38,311,000</b>	<b>46,014,041</b>	<b>218,879,748</b>	<b>904,912,556</b>

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Table CA-4  
Existing General Obligation (G.O.) Bonds Debt Service

<b>Existing General Obligation (G.O.) Bonds Debt Service</b>	<b>\$294,901,003</b>	<b>\$299,092,805</b>	<b>\$300,655,848</b>	<b>\$297,752,268</b>	<b>\$297,731,833</b>	<b>\$297,443,976</b>
<b>Prospective G.O. Bonds Debt Service</b>						
- FY 2003 Bonds (\$339.0 mm)	\$16,603,125	\$24,656,319	\$24,656,319	\$24,656,319	\$24,656,319	\$24,656,319
- FY 2004 Bonds (\$391.0 mm)	\$0	\$30,582,735	\$30,582,735	\$30,582,735	\$30,582,735	\$30,582,735
- FY 2005 Bonds (\$469.3 mm)	\$0	\$0	\$36,713,442	\$36,713,442	\$36,713,442	\$36,713,442
- FY 2006 Bonds (\$290.8 mm)	\$0	\$0	\$0	\$24,951,467	\$24,951,467	\$24,951,467
- FY 2007 Bonds (\$121.9 mm)	\$0	\$0	\$0	\$0	\$10,462,104	\$10,462,104
- FY 2008 Bonds (\$64.0 mm)	\$0	\$0	\$0	\$0	\$0	\$5,491,873
- FY 2009 Bonds (\$64.0 mm)	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total G.O. Bonds Debt Service (Agency DS0)*</b>	<b>\$311,504,128</b>	<b>\$354,331,859</b>	<b>\$392,608,344</b>	<b>\$414,656,231</b>	<b>\$425,097,900</b>	<b>\$430,301,916</b>
<b>Payments on Certificates of Participation (Agency CP0)**</b>	<b>\$4,911,075</b>	<b>\$15,400,000</b>	<b>\$15,400,000</b>	<b>\$15,400,000</b>	<b>\$15,400,000</b>	<b>\$15,400,000</b>
<b>Total Long-term Debt Service***</b>	<b>\$316,415,203</b>	<b>\$369,731,859</b>	<b>\$408,008,344</b>	<b>\$430,056,231</b>	<b>\$440,497,900</b>	<b>\$445,701,916</b>
<b>Interest on Short-term Borrowing (Agency ZA0)</b>	<b>\$3,000,000</b>	<b>\$3,000,000</b>	<b>\$3,000,000</b>	<b>\$3,000,000</b>	<b>\$3,000,000</b>	<b>\$3,000,000</b>
<b>Total Debt Service</b>	<b>\$319,415,203</b>	<b>\$372,731,859</b>	<b>\$411,008,344</b>	<b>\$433,056,231</b>	<b>\$443,497,900</b>	<b>\$448,701,916</b>

\* Does not include debt service on G.O. bonds issued to finance water & sewer-related projects, which is paid by the DC Water & Sewer Authority (WASA).

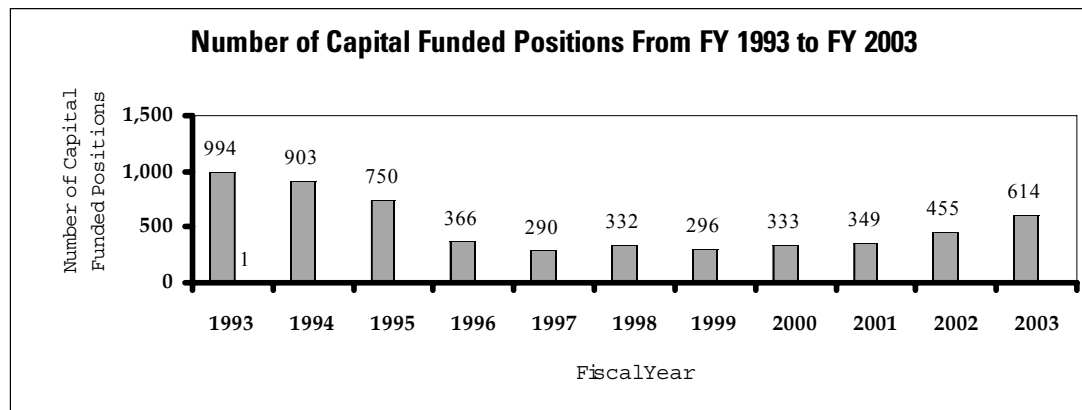
\*\* Each year's figure for CP0 includes \$750,000 for property taxes payable by the District (as Lessee) to the Trustee (as Owner and Lessor), and by the Trustee to the District (as taxing jurisdiction). In effect, the District is paying itself, so there will be revenue to offset this \$750,000 portion of this expenditure line item.

\*\*\* Includes prospective debt service expenditures associated with the proposed financing of the Unified Communications Center and DC-Net projects with Certificates of Participation. With this financing, there would be no debt service costs in FY04 and an estimated \$6.7 million annually for 19 years starting in FY05. Debt service for DC-Net portion will be covered by savings on Verizon expenses; FY05 and FY06 debt service for UCC portion will be covered by Federal grant funds.

\*\*\* Does not include debt service on Master Equipment Lease/Purchase Program financings, which appears in the respective operating budgets of the various participating agencies.

Figure CA-5

## Number of Capital Funded Positions From FY 1993 to FY 2003



the funding. Table CA-4 shows the overall debt service funded in the FY 2004 operating budget.

### Capital Funded Positions

Designing and implementing capital projects can require specialized labor. In most instances, the personal services (PS) costs associated with these positions are charged to the general fund. However, there are certain circumstances that allow agencies to charge positions against capital projects. For example, the Department of Transportation may hire specific types of construction engineers and project managers to work on a Highway Trust Fund road project and charge them against a capital project. Funding for these types of positions is permissible, as long as the position is contributing to completing the project.

As a result of recent increases in capital investments, the number of capital funded positions has increased by 159 positions or 35 percent over the FY 2003 total.

Figure CA-5 shows that the District has reduced the total number of capital funded positions since 1993. Although there has been a slight increase in positions starting with FY 2000, the District is still 661 positions below its level in FY 1993.

### History

The initial roads, bridges, sewers and water

systems in the District of Columbia were installed to serve the needs of the federal government and were designed, paid for, and built by Congress. During the 1800s, the population and private economy of the federal District expanded sharply, and the local territorial government undertook a vigorous campaign to meet new demands for basic transportation, water, and sewer systems.

From 1874 to 1968, commissioners who were appointed by the President and confirmed by Congress managed the District. One commissioner, from the Corps of Engineers, was responsible for coordinating the maintenance and construction of all local public works, in accordance with annual budgets approved by the President and the Congress.

Legislation passed in the 1950s gave the District broader powers to incur debt and borrow from the United States Treasury. However, this authority was principally used for bridges, freeways, and water and sewer improvements. In 1967, the need for significant improvements in District public infrastructure was acknowledged. This awareness led to the adoption of a \$1.5 billion capital improvement program to build new schools, libraries, recreation facilities, and police and fire stations.

A 1984 amendment to the Home Rule Act gave the District the authority to sell general obligation bonds to finance improvements to its

physical infrastructure. To date, the District has issued in excess of \$3 billion of general obligation bonds to finance capital improvements.

In September 1997, the President signed the National Capital Revitalization Act (the "Revitalization Act"). The act relieved the District of its operations at Lorton Correctional Facility. It also transferred responsibility for funding the maintenance and operation of the D.C. Courts system to the Office of Management and Budget (OMB). The District will therefore not incur the significant capital expenditures required at these facilities. In return, the District will no longer receive a federal payment in lieu of taxes for these functions.

In addition, the Revitalization Act raised the allowable percent of annual debt service payable from 14 percent to 17 percent of anticipated revenues in order to compensate the District for the loss of the federal payment. The primary impact of this aspect of the Revitalization Act was to increase the District's flexibility to finance capital requirements.

## Legal Authority and Statutory Basis

The District's legal authority to initiate capital improvements began in 1790 when Congress enacted a law establishing the District of Columbia as the permanent seat of the federal government and authorized the design of the District and appropriate local facilities. There are two statutory requirements that form the legal authority and assign responsibility for the District's Capital Program. They are as follows:

**District of Columbia Home Rule Act, P.L. 93-198, §444, 87 Stat. 800:** The Mayor is directed to prepare a multi-year Capital Improvements Plan for the District. This plan shall be based upon the approved current fiscal year budget. It shall include the status, estimated period of usefulness, and total cost of each capital project on a full funding basis for which any appropriation is requested or any expenditure will be made in the forthcoming fiscal year and at least four fiscal years thereafter.

**District of Columbia Appropriations Act, 2004, P.L. 107-096, §108.** (Approval December 21, 2001:) Requires the Mayor to develop an annual plan by project, for capital

outlay borrowings.

Along with these statutory requirements, a Mayor's Order supplements the legal authority and assigns additional responsibility for the District's Capital Program.

**Mayor's Order 84-87** creates within the Office of Budget and Planning a Capital Program coordinating office to provide central oversight, direction, and coordination of the District's capital improvements program, planning, budgeting, and monitoring. The administrative order requires the Office of Budget and Planning to develop a CIP that identifies the current fiscal year budget and includes status, estimated period of usefulness, and total cost of each capital project on a fully funded basis for which any appropriation is requested or any expenditure will be made over the next six years. The CIP includes:

- An analysis of the CIP, including its relationship to other programs, proposals, or other governmental initiatives.
- An analysis of each capital project, and an explanation of a project's total cost variance of greater than five percent.
- Identification of the years and amounts in which bonds would have to be issued, loans made, and costs actually incurred on each capital project. Projects are identified by applicable maps, graphics, or other media.

## Why A Capital Improvements Program?

The District of Columbia's Capital Improvements Program (the "Capital Program") comprises the financing, acquisition, development and implementation of permanent improvement projects for the District's fixed assets. Such assets generally have a useful life of more than three years and cost more than \$250,000. The development of these projects is presented in the Capital Improvements Plan (CIP) a comprehensive, annually updated, six-year plan for the development, modernization or replacement of city-owned facilities and infrastructure. The CIP consists of the appropriated budget authority request for the upcoming fiscal year and projected funding/expenditure plans for

the following five years. In most years, the major portion of capital authority goes toward improvements or applicable activities for streets, bridges, government facilities, public schools, and recreational projects.

The CIP is an important planning and management resource. It analyzes the relationship of projects in the capital budget to other developments in the District. It also describes the programmatic goals of the various District agencies and how those goals impact upon the need for new, rehabilitated or modernized facilities. Finally, it details the financial impact and requirements of all the District's capital expenditures. The CIP is updated each year by adding a planning year, and reflecting any necessary changes in projected expenditures schedules, proposed projects, and District priorities. However, consistent with rigorous strategic planning, substantial changes in the program are discouraged.

The CIP is the basis for formulating the District's annual capital budget. The District Council and the U.S. Congress adopt the budget as part of the District's overall six-year CIP. Following approval of the capital budget, Bond Act(s) and Bond Resolution(s) are adopted to finance the majority of projects identified in the capital budget. Inclusion of a project in a congressionally adopted capital budget and approval of requisite financing gives the District the authority to spend funds for each project in the first year of the CIP. The remaining five years of the program, called the out-years, show the official plan for making future improvements to District-owned facilities.

The primary funding source for capital projects is tax-exempt bonds. These bonds are issued as general obligations of the District. Debt service on these bonds (the payment of interest over the lifetime of the bonds) becomes an expenditure in the annual Operating Budget.

Congress sets certain limits on the total amount of debt that can be incurred (currently 17 percent of general fund revenues) in order to maintain fiscal stability and good credit ratings. As a result, it is critical that the CIP balance funding and expenditures over the six-year period to minimize the fiscal impact on the annual Operating Budget.

## Principles of the Capital Program

Eight budgetary and programmatic principles guide the development and implementation of the District's CIP. These are:

- To build facilities supporting the District stakeholders' objectives.
- To support the physical development objectives incorporated in approved plans, especially the Comprehensive Plan.
- To assure the availability of public improvements.
- To provide site opportunities to accommodate and attract private development consistent with approved development objectives.
- To improve financial planning by comparing needs with resources, estimating future bond issues plus debt service and other current revenue needs, thus identifying future operating budget and tax rate implications.
- To establish priorities among projects so that limited resources are used to the best advantage.
- To identify, as accurately as possible, the impact of public facility decisions on future operating budgets, in terms of energy use, maintenance costs, and staffing requirements among others.
- To provide effective public participation a concise, central source of information on all planned rehabilitation of public facilities for citizens, agencies, and other stakeholders in the District.
- To provide a basis for in decisions related to public facilities and other physical improvements.

It is the responsibility of the Capital Program to ensure that these principles are followed in every capital project.

## Capital Improvements Plan Development Process

The Capital Program, as mandated by Public Law 93-198 - the Home Rule Act, has the annual responsibility of formulating the District's Six-Year Capital Improvements Plan. Each District agency is responsible for the initial preparation and presentation of an agency specific plan. Under the program, projects should complement

the planning of other District agencies and must constitute a coordinated, long-term program to improve and effectively use the capital facilities and agency infrastructure. Specifically, the CIP should substantially conform to the Office of Planning's Comprehensive Plan, the District of Columbia Municipal Regulations Title 10 Planning and Development (Chapters 1 to 11).

### Program Participants

The development and implementation of the CIP is a coordinated effort among the District's programmatic, executive, and legislative/oversight bodies. The participants include:

- **User Agencies.** CIP expenditure plans and capital budget requests are developed at the agency level. User agencies must review their agency's strategic plan, replacement schedules, condition assessment, specific projects, construction costs, and time schedules. Agencies then submit their proposed project requests and analysis to the Office of Budget and Planning for review. User agencies are responsible for:
  - Monitoring the condition of a capital facility and the supporting infrastructure.
  - Understanding the capital program requirements and acting within those requirements to maintain the condition of its facility.
  - Appointing a Capital Liaison Officer who develops the agency's capital plan, prepares the budget request, and modifies financing proposals throughout the year.
- **Implementing Agencies.** Implementing agencies manage actual construction and installation of a capital facility or supporting infrastructure. The implementing agencies are responsible for the execution of projects. This task includes the appointment of a Capital Financial Officer, who monitors the progress of the projects, and ensures:
  - The original intent of the project is fulfilled as Congressionally approved.
  - The highest priority projects established by the user agency are implemented first.

- Financing is scheduled for required expenditures.
- Historically, the Office of Property Management is the implementing agency for over 90 percent of the projects in the CIP.
- **Office of Budget and Planning.** The Office of Budget and Planning (OBP) is responsible for issuing budget instructions to District agencies. OBP provides technical direction to agencies for preparing expenditures plans, project/subproject justifications, priority ranking factors, operating budget impacts, cost estimates, milestone data and performance measures. The budget call allows for updates to ongoing projects and requests for additional financing and appropriated budget authority for ongoing and new projects. OBP coordinates project evaluations to determine agency needs through careful analysis of budget request data, review of current available and future financing requirements, and comparison of project financial needs with the current bond sales and general fund subsidies anticipated to be available for CIP purposes.
- **Budget Review Team.** The City Administrator chairs the Budget Review Team (BRT) with representatives from the Office of the City Administrator, Chief Financial Officer, Deputy CFO for Budget and Planning, Deputy CFO for Finance and Treasury, Deputy Mayors and Mayor's Chief of Staff. The advisors to the team are the Directors of the Office of Property Management, Office of Planning and the Office of the Chief Technology Officer. The Office of Budget and Planning provides analysis and staff support to the BRT. The team evaluates agency requests using criteria developed by the Office of Budget and Planning.
- **Mayor.** The BRT recommendation is then submitted to the Mayor for review, approval and transmittal to the Council. This fiscal year, the BRT's recommendation was sub-



mitted to the Mayor and Council for joint review and consensus approval.

- **Council, Budget Review Team, and Congress.** There are two levels of legislative/oversight review. They are as follows:
  - The Council of the District of Columbia (the Council)
  - The Congress of the United States (the Congress)
  - Each body reviews and approves the capital budget and the six-year plan.

## Authorizing Projects in the CIP

The OBP reviews and analyzes the CIP with the assistance of the Budget Review Team. The CIP is developed in the four-step process described below :

### Steps 1: Budget Call

In the fall of the current fiscal year, District agencies are requested to provide the OBP with updated information regarding on going projects (increases or decreases in funding or planned expenditures), as well as requests for new projects. The instructions call for agencies to provide detailed information on a project's expenditure requirements, physical attributes, implementation timeframe, feasibility, and community impact. In addition, agencies provide project milestones, estimated costs, expenditure plans, Operating Budget impacts and a prioritized list of potential capital projects. The agency requests are disseminated to all members of the Budget Review Team for review.

### Step 2: Budget Analysis

Project requests submitted in Step 1 undergo a thorough analysis to determine if agency requests merit inclusion in the District's CIP. This analysis is divided into the following three primary functions:

**Function 1 - Project Justification:** Each project request is evaluated by the BRT to determine its relationship with the agency's overall mission; whether the project is duplicative of efforts of another agency's on going project; whether the project is in concurrence with the District's Comprehensive Plan; and whether the planned

expenditure is an operating rather than capital expense.

In addition, project requests are reviewed based on priority criteria and must meet one or more of the factors below:

- Health/Safety
- Legal Compliance
- Efficiency Improvement
- Facility Improvement
- Revenue Initiative
- Economic Development
- Project Close-out

**Function 2 - Cost Analysis:** An important factor in the evaluation of a project request is the overall cost it will incur. Cost estimates are developed in conjunction with the Department of Public Works and the Office of Property Management to validate the project costs proposed in the agency submissions. Furthermore, future operating costs are estimated in order to provide supplementary information regarding out-year liabilities once the project is implemented (Operating Budget Impacts).

**Function 3 - Financing Analysis:** The Office of the Chief Financial Officer is committed to finance capital projects in a manner in which:

- Funding is committed for the entire CIP
- The District receives the lowest cost of funding available
- The useful life of capital projects matches and does not exceed the average maturity of the liability used to finance the assets

As such, the OBP reviews the useful life of each project and presents this information to the Office of Finance and Treasury (OFT). OFT develops a strategy to match the underlying assets with an appropriate means of financing.

### Step 3: Budget Review Team Recommendations

The BRT formulates a recommendation in the form of a CIP. The team's recommendation is then submitted to the Mayor for review, approval and transmittal to the Council.

### Step 4: Approval

After reviewing all capital project requests with regard to scope of work, projected cost, and

financing alternatives, the BRT evaluates the projects based on physical attributes, implementing feasibility, and physical/economic impact on the community. The BRT then formulates a recommendation in the form of a CIP. The proposed Capital Improvements Plan is then submitted to the Mayor and Council for approval and then to Congress for final congressional approval.

## Phases of a Capital Project

It is assumed that all capital projects are the sum of a series of sections, grouping types of tasks necessary to accomplish the project's goal. These sections are defined as phases. Each project in the CIP is approved and budgeted for five phases. However, in some instances, projects need funding for planned expenditures only in one particular phase, such as major equipment acquisition. Phases are referenced numerically and alphabetically, and are:

1. Design includes all work completed to define the scope and content of the project. Architects and engineers that agencies employ to analyze the planning for a project would be funded from the design phase. Costs associated with solicitations and proposals also fall within this phase. This phase also would be used to fund any processes necessary for selection of contracts.
2. Site Acquisition covers costs for site preparation expenses, legal work or probable demolition and hauling expenses. Site appraisal and survey also would be funded through this phase.
3. Project Management pays all internal agency management and support costs from design to construction. Activities within this phase include any work of the project manager and other staff.
4. Construction includes any construction contract work done by other District agencies. This phase funds work on a particular construction contract.
5. Equipment funds disbursements for specialized equipment. Equipment funded through capital has to be permanently connected to the physical plant designed

as an integral part of the facility. Equipment defined for funding by this phase includes such items as the purchase and installation of elevators, boilers, generators, and HVAC systems. The Capital Program will not fund office equipment or personal computers. These are funded by the operating budget.

## Project Milestones

Each phase of a project is monitored and tracked using milestone data. This lets the Capital Program determine if projects are being completed on time and within budget. Milestone data is provided by agencies in the quarterly Financial Review Process (FRP) and in the annual budget submissions as justification for additional funding.

Milestone data includes such items as project authorization dates, original project cost estimates, contract award dates, revised completion dates, construction start dates and others. In an attempt to summarize the various elements of milestone data, the Capital Program includes status codes in the project description forms

## Managing the Capital Program

There are two primary drivers in the development of the FY 2004 – FY 2009 CIP. First, prudent debt management policies that cap what can be spent. Second, the need for capital investment in the District is greater than the available resources.

## Debt Management

There are several guiding principles in managing the District's Capital Improvement Program and the associated debt. The guiding principles are:

- Amount of debt issued in any given fiscal year should not exceed 15 percent of the total current outstanding debt as of the end of the previous fiscal year.
- Debt issuance should not cause the District's per capita debt to exceed \$7,500.
- Debt issuance should not cause the debt limit ratio (maximum annual debt service to total local revenue) to exceed 13 percent (by law, it cannot exceed 17 percent in any given year).

These principles play an important role in determining the amount of debt to be issued and thus in determining how much funding will be available for investment in the District's infrastructure. Each \$15 million of new bond issuance results in approximately \$1 million in debt service costs in subsequent years' operating budgets. The per capita debt – or the debt ratio – shows that the District has a significantly higher debt ratio than several major cities, almost on par with New York City.

## **Policies Governing the Capital Improvement Program**

### **Program Policies**

The overall goal of the Capital Program is to maintain the District's infrastructure. Pursuant to this goal, projects included in the FY 2004 to FY 2009 CIP and FY 2004 Capital Budget support the following programmatic policies:

- Provide for the health, safety and welfare needs of District residents.
- Provide and continually improve public educational facilities for District residents.
- Provide adequate improvement of public facilities.
- Continually improve the District's public transportation system.
- Minimize the per-capita debt of the District's residents.
- Support District economic and revitalization efforts generally and in targeted neighborhoods.
- Provide infrastructure and other public improvements that retain and expand business and industry.
- Increase employment opportunities for District residents.
- Promote mutual regional cooperation on area-wide issues, such as the Washington Area Metropolitan Transit Authority, Water and Sewer Authority, and solid-waste removal.
- Provide and continually improve public housing and shelters for the homeless.

## **Fiscal Policy**

Policy on Project Eligibility for Inclusion in the Capital Improvements Plan (CIP)

Capital expenditures included as projects in the CIP must:

- Be carefully planned, generally as part of the District-wide Facility Condition Assessment Study in concert with the Comprehensive Plan. This provides decision-makers with the ability to evaluate projects based on a full disclosure of information.
- Have a useful life of at least three years or add to the physical infrastructure and capital fixed assets.
- Enhance the productivity or efficiency capacity of District services.
- Have a defined beginning and a defined ending.
- Be related to current or potential projects. For example, facility planning or major studies should be funded with current revenues.

## **Policy on Debt Financing**

With a few exceptions (Highway Trust Fund projects), the CIP is primarily funded with general obligation bonds or equipment lease/purchase obligations. Capital Improvement projects usually have a long useful life and will serve taxpayers in the future as well as those paying taxes currently. It would be an unreasonable burden on the current taxpayers to pay for the entire project up front. General obligation bonds, retired over a 20 to 30-year period, allow the cost of capital projects to be shared by current and future taxpayers, which is reasonable and fair. Capital improvement projects eligible for debt financing must (1) have a combined average useful life at least as long as average life of the debt with which they are financed, and (2) Unable to be funded entirely from other potential revenue sources, such as Federal aid or private contributions.

## **Policy on Capital Debt Issuance**

In formalizing a financing strategy for the District's Capital Improvements Plan, the District adheres to the following guidelines in deciding how much additional debt, both general obligation and revenue bonds, may be issued during the six-year CIP planning period:

**STATUTORY REQUIREMENTS:** The issuance of general obligation indebtedness cannot cause maximum annual debt service to exceed 17 percent of general fund revenues as stipulated in the Home Rule Act.

**AFFORDABILITY:** The level of annual operating budget resources available to pay debt service should not impair the District's ability to fund ongoing expenditures and maintain operating liquidity.

**FINANCING SOURCES:** Evaluating varying financing sources and structures to maximize capital project financing capacity at the lowest cost available, while maintaining future financing flexibility.

**CREDIT RATINGS:** Issuance of additional debt should not negatively impact the District's ability to maintain and strengthen current credit ratings, which involves the evaluation of the impact of additional debt on the District's debt burden. This includes having certain criteria and ceilings regarding the issuance of new debt and the ratios of debt per capita and debt service to local revenues.

### **Policy on Terms for Long-Term Borrowing**

To mitigate the interest costs associated with borrowing, the District seeks to identify sources other than bond proceeds to fund its CIP, such as grants, Highway Trust Fund moneys, and Pay-go capital. Furthermore, the District issues its bonds annually based on the anticipated spending for the fiscal year, not on a project-by-project basis. The District has issued only general obligation bonds to finance its CIP in the past, but will continue to analyze the potential benefits associated with the issuance of revenue bonds for general capital purposes in the future. The pledge of a specific revenue source for the issuance of revenue bonds must not have a negative impact on the District's general fund or general obligation bond ratings, and must provide favorable interest rates.

To match the debt obligations with the useful life of the projects being financed, the District issues short to intermediate-term financing for those projects that may not fit the criteria for

long term financing. The District amortizes bonds over a 25- to 30-year period for those projects with an average 30-year useful life.

Bonds may be issued by independent agencies or instrumentalities of the District as authorized by law. Payment of the debt service on these bonds is solely from the revenue of the independent entity or the project being financed.

### **Policy on Terms for Short-Term (Interim) Borrowings**

The District may issue other forms of debt as appropriate and authorized by law, such as bond anticipation notes (BANs) and commercial paper. The use of BANs or commercial paper provides a means of interim financing for capital projects in anticipation of future bond offering or other revenue takeout. Furthermore, these types of interim financing tools allow the District to benefit from lower interest costs by including short-term financing of capital expenditures in the initial financing structure. The use of BANs and/or commercial paper is intended for times when they are financially feasible.

### **Policy on the use of the Master Equipment Lease/Purchase Program**

The purpose of the Master Equipment Lease/Purchase Program (the Program) is to provide District agencies with access to low-cost tax-exempt financing for equipment purchases, as an alternative to outright purchases, which would have a higher cost in the current year's budget, or other more expensive leasing or financing arrangements. Furthermore, the program assists the District in its assets/liability management by matching the useful life of the asset being financed to the amortization of the liability.

The program terms and conditions are established under an umbrella contract. Since the terms and conditions are established upfront, there is no need to negotiate a new lease contract each time equipment is to be financed, as long as the master lease agreement is in effect.

In addition, it must have a useful life of at least five years. The repayment (amortization) will not exceed the useful life of the equipment being financed. The maximum financing term that may be requested is 10 years.

Rolling stock such as automobiles, trucks, and public safety vehicles are eligible, as well as computer hardware and software.

## **Policy on the Use of Pay-as-you-go Financing**

Pay-as-you-go (paygo) financing is obtained from current revenues authorized by the annual Operating Budget and approved by the Council and the Congress in a public law to pay for certain projects. No debt is incurred with this financing mechanism. Once the public law becomes effective, the operating funds are transferred to the capital account and allocated to the appropriate project. Generally, pay-go financing supports costs for minor repairs, equipment purchases, or other items that do not qualify for long-term general obligation bond financing. The Mayor has the following policies on the use of pay-go financing:

Pay-go must be used for any CIP project not eligible for debt financing by virtue of its limited useful life.

Pay-go should be used for CIP projects consisting of short-lived equipment replacement (not eligible for the Master Equipment Lease Purchase Program), and for limited renovations of facilities.

Pay-go may be used when the requirements for capital expenditures press the limits of bonding capacity.

## **Congressional Appropriations**

Notwithstanding any other provisions in the law, the Mayor of the District of Columbia is bound by the following sections of the District of Columbia Appropriations Act for fiscal year 2000, Public Law 106-113.

- §113 At the start of the fiscal year, the Mayor shall develop an annual plan, by quarter and by project, for capital outlay borrowings: Provided, that within a reasonable time after the close of each quarter, the Mayor shall report to the Council of the District of Columbia and to the Congress the actual borrowings and spending progress compared with projections.
- §114 The Mayor shall not borrow any funds

for capital projects unless the Mayor has obtained prior approval from the Council of the District of Columbia, by resolution, identifying the projects and amounts to be financed with such borrowings.

- §115 The Mayor shall not expend any monies borrowed for capital projects for the operating expenses of the District of Columbia government.

## **Trends Affecting Fiscal Planning**

Several different kinds of trends and economic indicators are reviewed, projected, and analyzed each year for their impact on the Operating Budget and for their impact on fiscal policy as applied to the Capital Improvements Plan. These trends and indicators include:

**INFLATION:** Important as an indicator of future project costs or the costs of delaying capital expenditures.

### **POPULATION GROWTH/DECLINE:**

Provides the main indicator of the size or scale of required future facilities and services, as well as the timing of population-driven project requirements.

**DEMOGRAPHIC CHANGES:** Changes in the number and/or locations within the District of specific age groups or other special groups, which provides an indication of requirements and costs of specific public facilities (i.e., senior wellness centers and recreation centers).

**PERSONAL INCOME:** The principal basis for projecting income tax revenues as one of the District's major revenue sources.

**IMPLEMENTATION RATES:** Measured through the actual expenditures within programmed and authorized levels, implementation rates are important in establishing actual annual cash requirements to fund projects in the CIP. As a result, implementation rates are a primary determinant of required annual bond issuance.

## Spending Affordability

One of the most important factors in the CIP development process is determining spending affordability. Spending affordability is determined by the amount of debt service and paygo capital funds that can be reasonably afforded by the operating budget, given the District's revenue levels, operating/service needs, and capital/infrastructure needs. The size and financial health of the capital program is therefore somewhat constrained by the ability of the operating budget to absorb increased debt service amounts and/or operating requirements for capital expenditures. Realizing that maintenance and improvement in the District's infrastructure is important to the overall health and revitalization of the District, policymakers have worked diligently over the past several years to increase the levels of capital funding and expenditures. Debt reduction efforts on the part of District policymakers and financial leadership have served to increase the affordability of such additional capital spending. There is the ongoing need, however, to balance the infrastructure needs with the spending affordability constraints.

## Financial Management Targets

The District has established certain financial management targets that are consistent with maintaining a healthy debt management program to finance its capital needs. Key targets include the following:

- Reduction, or containment of increase, of outstanding debt and debt service
- Debt ratios comparable with industry standards
- Achieving further increases in bond ratings from all three major rating agencies (to the "A" level).

### Target 1: Reduction or Containment of Increase of Outstanding Debt and Debt Service

The District has amortized most of its bond issues over 20 years. In addition to this amortization structure, the District financed an operating deficit in 1991 with an intermediate term (12-year) repayment structure. Only within the

last several fiscal years has the District amortized its bonds over 25 to 30 years to better match the useful life of the assets being financed. The former amortization structures caused the District's debt service to be heavily front loaded, creating a strain on the District's operating budget.

In FY 1999, the District restructured its debt to adjust this heavily front loaded debt amortization. This restructuring, which moved some of the near-term debt service to future years, produced debt service and operating budget relief through FY 2005.

In FY 2000 and in FY 2003, the District issued a total of \$339 million of variable-rate bonds to fund approved capital projects. Variable-rate bonds typically provide a lower cost of capital than fixed-rate bonds. For this reason, despite the inherent fluctuation in the debt service on them, it is desirable to have some portion of the District's debt portfolio as variable rate. The District's target percentage range for variable-rate debt is 10 to 15 percent of the total debt portfolio. The current amount of variable-rate debt outstanding equals approximately 11 percent of the total.

In FY 2001, the District significantly reduced its outstanding general obligation debt by securitizing the revenues that it is due to receive over the next 30 years as a result of the national settlement with the manufacturers of tobacco products (the Master Settlement Agreement). The District established a separate instrumentality, the Tobacco Settlement Financing Corporation (the Corporation), which issued bonds backed by the District's future tobacco settlement revenues (TSRs). This transaction represents the District selling its rights to these TSRs (to the Corporation) in exchange for an up-front lump-sum payment (represented by the proceeds of the bond sale). These bonds are not debt of the District, however. They represent debt of the Corporation-revenue bonds payable solely from TSRs to be received by the Corporation in the future. Through this transaction, the District transferred the risk associated with non-receipt of TSRs in the future. The bond proceeds from transaction were used to pay off outstanding debt of the District. Specifically, the District reduced its outstanding debt by \$482 million by applying

these bond proceeds to pay off outstanding general obligation bonds. This resulted in debt service savings totaling approximately \$684 million over 14 years, for an average of roughly \$50 million of debt service savings per year.

In addition, in accordance with a Congressional requirement, the District used \$35 million of its fund balance in FY 2000 to pay off outstanding general obligation bonds.

Through the transactions described above, the District significantly reduced and restructured its outstanding debt and the associated debt service payments to be made from the District's operating budget. Additional borrowing to fund ongoing capital improvements over the past few years have naturally increased the outstanding debt and debt service, and the current CIP will result in further increases; however, these increasing levels will be continually monitored and contained within certain policy limits in the process of managing the debt burden and the affordability associated with the District's debt. Figure CA-6 depicts the changes in the District's debt amortization and debt service over past several years.

### **Target 2: Debt Ratios Comparable with Industry Standards and within Debt Management Policy Parameters**

Three debt ratios that are typically used as measures of a jurisdiction's debt burden are Debt-to-Full Value (property value); Debt Service-to-General Fund Expenditures; and Debt-Per-Capita. As Table CA-5 (on the following page) indicates, the District's debt ratios are comparable with those of other major municipalities, and in some cases substantially better than those jurisdictions. In terms of Debt Per Capita, one of the reasons that the District's ratio is relatively high is that for years it has funded capital projects that are typically funded by states. Notwithstanding this fact, the District intends to continually monitor its debt ratios with the goal of having them be comparable or favorable in relation to other major municipalities and rating agency benchmarks. Moreover, the District has established certain debt management policy parameters for its debt ratios in order to effectively manage its

debt burden over the long term. These parameters provide that the District should not exceed: a debt service-to-general fund expenditures ratio of 10 percent; a maximum annual debt service to total local revenues ratio (the debt limit ratio—legally capped at 17 percent) of 13 percent; a debt-per-capita of \$7,500; and a debt-to-full value ratio of 10 percent. There is sufficient capacity within these policy parameters to issue the additional debt necessary to fund the District's proposed FY 2004 CIP.

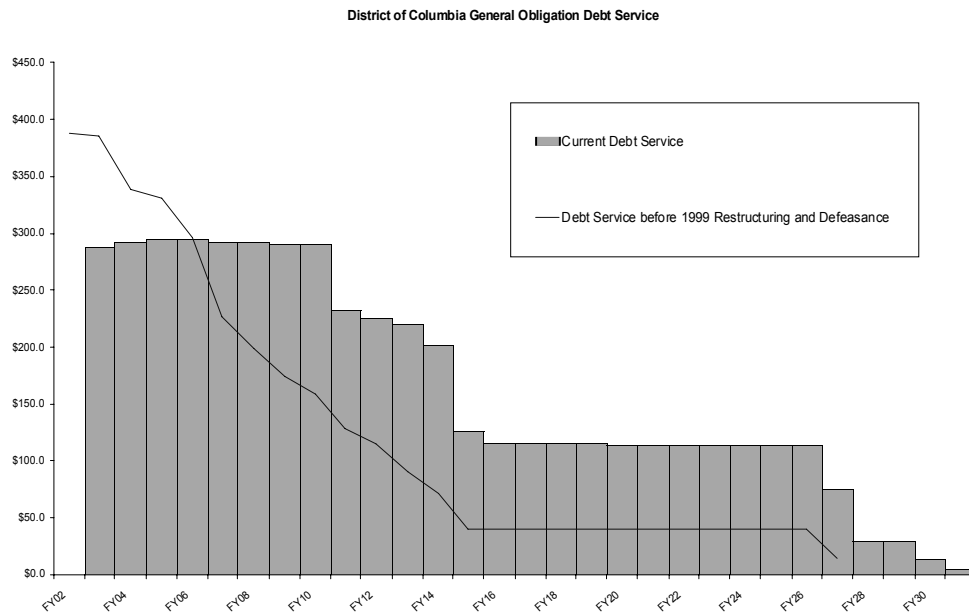
### **Target 3: Improving Bond Ratings from All Three Major Rating Agencies**

Credit ratings evaluate the credit worthiness of a jurisdiction and the credit quality of the notes and bond the jurisdiction issues. Specifically, credit ratings are intended to measure the probability of the timely repayment of principal and interest on notes and bonds issued by the District. Potential investors use credit ratings to assess their repayment risk in loaning the District funds for capital and short-term operating needs.

There are three major agencies that rate the District's debt: Fitch IBCA, Inc., Moody's Investors Service, and Standard & Poor's Corporation (S&P). A summary of agency credit ratings categories for long-term debt is provided Table CA-6.

During FY 1995, the District's general obligation debt was downgraded by all three rating agencies to below-investment-grade or junk bond levels. Since 1998, each rating agency has issued a series of upgrades to the District's bond rating. The upgrades that occurred in 1999 raised the District's ratings back to investment-grade levels (Table CA-7). In FY 2001, the District received further upgrades by S&P, Moody's, and Fitch to BBB+, Baa1, and BBB+, respectively, as a result of the continued improvement in the District's financial condition. The upgrades in the bond ratings by these agencies made the District's bonds more marketable, hence resulting in a lower cost of capital to the District. One of the District's targets is to have its general obligation bond ratings raised to the "A" level by these agencies.

Figure CA -6



Information considered when assessing the District's credit quality include:

- Economic base
- Financial performance
- Management structure
- Demographics
- Debt burden

Credit ratings are very important to the Capital Program. They affect the District's cost of capital, as well as representing an assessment of the District's financial condition. The cost of capital also plays a role in determining spending affordability. Higher costs for capital financing diminish the ability of the Capital Program to proceed with programmatic objectives. In short, higher costs for capital results in fewer bridges rehabilitated, roofs repaired and facilities renovated. On the other hand, lower costs of capital increase the affordability of such projects.

## Major Assumptions

Because of the unique and changing nature of the District's organizational structure and financial position, it is difficult to precisely forecast revenues, expenditure patterns, costs, and other key financial indicators. Nonetheless, the following two assumptions underlie this CIP:

1. The capital expenditure target for the FY 2004 to FY 2009 CIP is based on the assumption that the District can meet its FY 2004 Operating Budget current and future expenditure targets as established by the CIP.
2. The FY 2004 Operating Budget will be sufficient to provide for:
  - Lease payments for the District's Master Lease Program used to finance certain equipment projects.
  - Debt service on long-term bond financing.



Table CA-5

**DEBT RATIOS**

Debt Measures*	District of Columbia	Baltimore	Chicago	Detroit	San Antonio	New York	Philadelphia
<b>Net Overall Debt to Full Value</b>	5.1%	2.4%	6.1%	12.3%	1.9%	10.2%	16.2%
<b>Net Overall Debt per Capita</b>	\$4,678	\$719	\$3,502	\$986	\$554	\$5,372	\$4,230
<b>Debt Service as % of total GF Expenditures</b>	7.8%	9.6%	17.6%	8.8%	16.0%	6.5%	6.4%

Sources: FY 2002 year-end results for District of Columbia and New York City; FY 2001 CAFR for all others (most recent available).

Table CA-6

**Summary Rating Agency Credit Ratings for Long-term Debt**

Investment Attributes	Fitch IBCA	Moody's	Standard and Poor's
Highest Quality	AAA	Aaa	AAA
High Quality	AA	Aa	AA
Favorable Attributes	A	A	A
Medium Quality/Adequate	BBB	Baa	BBB
Speculative Elements	BB	Ba	BB
Predominantly Speculative	B	B	B
Poor Standing	CCC	Caa	CCC
Highly Speculative	CC	Ca	CC
Lowest Rating	C	C	C

Source: *Public Finance Criteria for Fitch, IBCA, Moody's Investor Service and Standard and Poor's Corporation*

Table CA-7

**Summary Rating Agency Credit Ratings of Long-term Debt**

Municipalities	Fitch IBCA	Moody's	Standard and Poor's
District of Columbia	BBB+	Baa1	BBB+
Baltimore	A+	A1	A
New York	A+	A2	A
Philadelphia	A-	Baa1	BBB
Detroit	A	Baa1	A-
San Antonio	AA+	Aa2	AA+
Chicago	AA-	A1	A+



# District of Columbia Water and Sewer Authority FY 2002 - 2011 Capital Improvement Program

## Overview

The District of Columbia Water and Sewer Authority (WASA) is an independent agency that provides essential retail water and wastewater services to more than 570,000 residents and to businesses in the District of Columbia, and also provides wholesale wastewater conveyance and treatment services to more than 1.6 million residents in Prince George's and Montgomery Counties in Maryland and Fairfax and Loudoun Counties in Virginia. WASA is governed by an 11member, regional Board of Directors, and is responsible for maintaining and operating the water distribution system, sanitary and combined sewage systems, and Blue Plains, the world's largest advanced wastewater treatment plant.

Since WASA's formation in 1996, it has successfully undertaken significant efforts to improve its financial position and operations, a critical part of which has been the development and implementation of a 10-year, \$1.6 billion capital improvement program. The capital program will enable WASA to meet its key goals of providing the best service possible to its retail and wholesale customers, reducing long-term operating costs, and meeting all regulatory requirements.

The 10-year capital program remains approximately the same size as last year, with estimated ten year disbursements totaling \$1.63 billion, as described in more detail below.

## 10- Year Capital Improvement Program and Financial Plan

Traditionally, the District's Capital Improvement Plan is developed for a six-year period. WASA operates under a regulatory and capital project-driven environment that requires a minimum 10-year planning horizon for capital improvement projects. In addition, WASA annually develops a 10-year financial plan that integrates the impact of the capital improvement program with WASA's Board policy goals of maintaining strong bond ratings, implementing rate increases

on a gradual and predictable basis, streamlining operations in order to lower operating costs over the next eight years, and providing better service to our customers.

The development and adherence to a 10-year capital improvement program and 10-year financial plan have been critical factors in the strong bond ratings WASA has received. WASA's has also been commended for its strong financing and rate-setting policies, its policy of gradual and predictable rate increases, and its emphasis on long-term financial planning. WASA's current bond ratings are as follows:

- Moody's Investors Service - "A1" with stable outlook
- Standard & Poor's - "A" with positive outlook
- Fitch IBCA - "A+" with stable outlook

## Capital Financing and Reserve Policies

In order to secure the lowest practical cost of capital to finance WASA's long-term capital program, WASA's Board has adopted the following capital financing policies that are integrated into WASA's ten year plan:

- Senior debt service coverage of 140 percent, exceeding WASA's bond indenture requirements of 120 percent; and
- Cash reserves approximately equivalent to 180 days' operating expenses, approximately \$94.5 million in FY 2003.
- WASA also will finance a portion of its capital program on a paygo basis from cash balances that exceed the operating reserve level. This paygo financing reduces the need for long-term debt and ultimately lowers WASA's debt service expenses.
- WASA, whenever possible, will use the least costly type of financing for capital projects, based on a careful evaluation of WASA's capital and operating requirements and financial position for each year.
- WASA will attempt to match the period of debt repayment, in total, with the lives of the assets financed by any such debt.
- WASA will finance its capital equipment needs (e.g., computer equipment and systems; minor utility equipment such as

pumps, motors, and the like) with operating cash or short-term financing instruments with the same or shorter lives as the related assets.

WASA's capital improvement program is financed from the following sources:

- Revenue Bonds/Commercial Paper - 53 percent
- Payments from Wholesale Customers - 26 percent
- Pay-Go Financing (Transfer from Operations) - 5 percent
- EPA Grants - 15 percent
- Interest Income on Bond Proceeds - 1 percent

In FY 2002, WASA successfully developed and implemented its commercial paper program for interim financing of the capital program, which allows for greater flexibility to accommodate changes in capital spending, and allows for better matching of the timing and size of borrowings to actual capital requirements. In addition, interest rates on commercial paper are typically significantly lower than long-term rates. The average interest rate under this program has been 1.4 percent, resulting in substantial debt service savings. WASA is currently working on its next fixed rate financing, scheduled to close in the fourth quarter of FY 2003.

WASA's capital improvement program totals \$1.63 billion over FY 2002 - 2011, as described in more detail below. Approximately 20 percent of the program is mandated, while the balance of the program is WASA-initiated.

### **Wastewater Treatment Program**

WASA operates the Blue Plains Advanced Wastewater Treatment Plant, the world's largest advanced wastewater treatment facility. Through Blue Plains, WASA provides wastewater treatment services to more than 2 million people in the Washington metropolitan area. Wastewater treatment includes liquid treatment processing to handle both sanitary wastewater flows and peak storm flows, along with solids processing to treat the residual solids removed in treatment units and produced by the liquid treatment process

facilities. Blue Plains is rated for an average flow of 370 million gallons per day (MGD). Capital projects in the Wastewater Treatment area are required to rehabilitate, upgrade or provide new facilities at Blue Plains to ensure that it can reliably meet its National Pollutant Discharge Elimination System (NPDES) permit requirements, produce a consistent, high-quality dewatered solids product for land application, and reduce odors both onsite and in the final product leaving Blue Plains.

### **Liquids Processing Projects**

WASA's 10-year capital improvement plan includes liquids processing projects to upgrade and rehabilitate facilities involved in handling flows for both sanitary and combined sewer systems. These flows move sequentially through the Blue Plains treatment plant processes to ultimate discharge of the treated effluent into the Potomac River. Liquid treatment systems include headworks facilities that screen and pump the wastewater flows, grit facilities that remove sand and grit particles, primary treatment facilities that remove settleable solids by sedimentation, secondary treatment facilities that remove organic pollutants using a biological process, nitrification/denitrification facilities that remove nitrogen using a biological process and effluent filtration, disinfection, and dechlorination facilities.

### **Solids Processing Projects**

Biosolids processing involves reductions in volume along with treatment to meet federal, state, and local requirements, as applicable for the ultimate biosolids disposal method. Treatment is provided by a system of processing facilities that include gravity thickening of primary sludge, floatation thickening of the biological waste sludges produced by the secondary and nitrification/denitrification facilities, digestion of all biosolids streams, and dewatering by centrifuge or belt press and lime stabilization. Dewatered biosolids are conveyed to temporary storage in the Dewatered Sludge Loading Facility or directly to bunkers prior to outloading to tractor-trailers for removal from the plant and ultimate land application. Solids processing facilities are required to produce a biosolids product that can

be reused or disposed of in an economical and environmentally acceptable manner.

Following a comprehensive Decision Science planning process, a comprehensive Biosolids Management Plan was recently developed and adopted by WASA's Board of Directors. This plan includes full biosolids digestion as WASA's primary long-term alternative, with continued land application as long as it is financially advantageous.

Full digestion will be achieved by the construction of nine, 4-million-gallon, egg-shaped digesters, sized for the total biosolids production of the plant. Design began in FY 2002, with construction scheduled to begin in 2005. Other major projects in this area include the upgrade of existing gravity thickening facilities, replacement of biological sludge thickening facilities, and the construction of additional dewatering capacity.

### **Plant-Wide Projects**

Several significant plant-wide projects are included in WASA's capital plan. Two projects address chemical handling and feed systems, which have presented operating and safety concerns to WASA for a number of years. These include replacing the outdated lime feed facilities at Blue Plains with a sodium hydroxide storage and feed facility which began operation in FY 2002. The project to replace the liquid/gaseous chlorine and sulfur dioxide dechlorination process with sodium hypochlorite for disinfection and sodium bisulfite for dechlorination was accelerated by WASA in response to September 11, with an interim process in place by November 2001.

A new process control and computer system will allow for automation of a significant number of processes at Blue Plains, leading to better management of chemical usage and, ultimately, less staffing. In addition, the new system will allow better management of electricity consumption, minimizing peak demand usage and related charges. The system will be implemented in three phases, beginning with the grit chambers, primary and secondary treatment, and dewatering processes, and then moving to nitrification, filtration, disinfection, and solids processing. Construction began in FY 2002.

As part of the plant-wide capital improve-

ment program, the high priority rehabilitation program has been developed to provide for various process equipment upgrades and replacement, insuring the reliability of critical equipment while the capital improvement program is implemented.

### **Sanitary Sewer Program**

WASA is responsible for wastewater collection and transmission in the District of Columbia, including operation and maintenance of the sanitary sewer system. The District's sanitary, combined and storm sewer system includes 1,800 miles of large interceptor sewer and smaller gravity collection sewers as well as twenty-four pumping stations. WASA is also responsible for sewer lateral connections from mains to the property lines of homes, government and commercial properties. In addition, WASA is responsible for the 50-mile long Potomac Interceptor sewer, which provides conveyance of wastewater from areas in Virginia and Maryland to Blue Plains.

The existing sewer system dates from 1810. During the next few years, WASA will be undertaking an evaluation of this system to determine its condition, verify adequate capacity, and to develop new capital projects, as appropriate. The FY 2002-2011 capital improvement program includes the initial funding required to perform planning and assessments to develop sanitary sewer capital project needs.

In general, projects in the existing sanitary sewer service area program provide for replacement or rehabilitation of the system as well as extensions to the system for development and growth as needed. As in last year's program, the substantial costs of street repaving due to the new street repair and restoration regulations required of WASA and other area utilities by the District are reflected.

### **Combined Sewer Program**

Similar to many other older communities in the Mid-Atlantic, Northeast and Midwest sections of the country, approximately one-third of the District of Columbia, mostly the downtown and older parts of the city, is served by a combined sewer system. A combined sewer system merges the transportation of both stormwater and waste-

water within one system. In wet weather, storm water also enters the system and, if the physical conveyance capacity of the system is exceeded, the excess flow is discharged to area waterways. This discharge is called combined sewer overflow (CSO). There are 60 permitted CSO outfalls in the District.

In August 2002, WASA completed and forwarded its proposed CSO Long-Term Control Plan to the EPA. The issue of CSOs has been studied by WASA and its predecessor agency for almost two decades, and the development of this proposed plan represents a major milestone in our history.

The development of this plan included an extensive level of interaction and cooperation between WASA staff, members of the community, environmental interest groups and local and federal regulatory agencies. During the past 36 months, WASA and these parties engaged in extensive dialogue on this critical environmental issue, including public hearings, community meetings, a special stakeholders' advisory group, customer mailings, and other related activities. This process ultimately resulted in revisions to the original draft plan, which raised the level of CSO reduction from 92 percent to 96 percent, and raised WASA's cost commitment from \$1.05 billion to \$1.265 billion (in 2001 dollars).

The benefits of the proposed plan are great - when fully implemented, CSO overflows will be reduced by a projected 96 percent (98 percent on the Anacostia River), resulting in improved water quality and less debris on our National Capital's waterways. The plan, described in more detail on WASA's web site at [www.dcwasa.com](http://www.dcwasa.com), includes a variety of improvements planned throughout the District, to improve the quality of the Anacostia and Potomac Rivers and Rock Creek:

- Four large storage tunnels, which will allow the storage of flows from storm events until they can be gradually sent to Blue Plains for advanced treatment
- Pumping station improvements
- Targeted separation of combined sewers in several sections of the District to include Anacostia

- Consolidation and elimination of 13 of 59 outfalls, including 4 outfalls on the Anacostia River
- Funds for low impact development (LID) at WASA facilities and to encourage LID across the District

The cost of this program is significant, totaling \$1.265 billion. With inflation, this increases to \$2.6 billion (assuming an implementation period of 40 years), one of the largest public infrastructure projects ever in the Washington metropolitan region. Because of the considerable cost of the program and the potential impact on WASA's ratepayers, WASA is discussing with the EPA implementation scenarios that range from 15 to 40 years, and we are working to secure as much federal financing as possible.

### **Stormwater Program**

WASA is responsible for the maintenance of certain public facilities that convey stormwater runoff to the Anacostia and Potomac Rivers and other receiving streams. The stormwater system includes approximately 600 miles of storm sewer pipes, catch basins, inlets, special structures, pumping stations and related facilities. The existing storm sewer system dates back to the early 1900s and includes a variety of materials. Projects include extensions to the system, relief of certain storm sewers, as well as projects to rehabilitate or replace storm sewer systems that have experienced structural deterioration.

The District of Columbia was issued its first stormwater permit in April 2000. Subsequent to receipt of the permit, the District of Columbia Council enacted legislation that established a stormwater administration within WASA to monitor and coordinate permit compliance city-wide and established a stormwater enterprise fund and separate to finance these activities. In addition, WASA has entered into a memorandum of understanding (MOU) with the Departments of Health, Public Works and Transportation and the District of Columbia Chief Financial Officer that delineates the administrative and funding responsibilities for this effort. A stormwater management fee (authorized by the District of Columbia and

which appears on WASA's water and sewer bill) funds the incremental operating requirements of the initial permit period and it is anticipated that future adjustments of this fee will be required. The permit issued for the period after FY 2003 will likely contain significant new requirements for the stormwater system. Currently, WASA is engaged in discussions with the District to determine how these initiatives will be financed. While significant new capital projects are not anticipated at this time, the specific future permit requirements and implications will not be known until the new permit is issued.

### **Water System Program**

The water distribution system operated and maintained by WASA includes almost 1,300 miles of water mains (ranging from four inches to 78 inches in diameter), three elevated water storage tanks, five underground water storage reservoirs, and four water-pumping stations. The water distribution system also includes appurtenances necessary for proper system operation, inspection, and repair, such as main line valves at regular intervals to allow flow control; air release valves to prevent air entrapment; blowoff valves for draining water mains; check valves to permit flow in one direction only; division valves to allow transfer of water between service areas during emergencies; fire hydrants; and meters.

Water capital projects include electronic security enhancements at all water facilities, rehabilitation/replacement of water pumping stations; rehabilitation of existing storage tanks and reservoirs in the system, and rehabilitation, replacement or extension of the water distribution, including valve replacements, cross connection elimination, dead end elimination, and water main cleaning and lining. This year's program also reflects increased costs due to the new street repair and restoration regulations required of WASA and other area utilities.

### **Metering Improvements**

WASA has begun its automated meter reading and meter change-out program, which entails the replacement of the approximately 130,000 meters currently in the system. The new meters will automatically transmit consumption data to

WASA's computers via cellular technology. The program is critical to achieving IIP goals in the Customer Service Department and reducing meter reading costs while improving service.

### **Washington Aqueduct**

WASA's share of improvements to the Washington Aqueduct facilities reflected in the CIP totals \$127 million. As the largest of the three wholesale customers of the Aqueduct, WASA is responsible for approximately 76 percent of the funding for the Aqueduct's capital projects. This percentage is based on WASA's percentage of the Aqueduct's total water sales. During the past three years, the Aqueduct has completed a variety of capital projects, including the conversion from chlorine to chloramines for primary disinfection; rehabilitation of the raw water conduits from the Potomac; and various improvements to the McMillan and Dalecarlia treatment plants.

### **Capital Equipment**

WASA's 10-year capital equipment budget totals \$79 million. As in past years, the largest area of expenditure is in the area of technology infrastructure, representing more than 44 percent of the 10-year plan. Near term plans include upgrading WASA's network environment, ongoing improvements to the financial management, payroll, and customer information systems, and replacing personal computing equipment. Capital maintenance of pumps, large motors, and other major equipment at Blue Plains and by sewage pumping stations is budgeted at approximately \$16 million, approximately 19 percent of disbursements, over the next 10 years, and approximately 19 percent of the budget is for ongoing fleet upgrades. Other projects included in the capital equipment program include various ongoing small valve, fire hydrant, and catch basin replacements.

### **FY 2004 Congressional Capital Authority Request**

As part of WASA's enabling legislation, Congressional appropriations authority is required before any capital design or construction contract can be entered into. WASA's FY 2004 request totals \$199.8 million, consisting of the following on the next page:

**Fiscal Year 2004 Capital Authority Request  
(\$000's)**

<b><u>Program Areas</u></b>	<b><u>Fiscal Year 2004 Capital Authority Request</u></b>
Blue Plains Wastewater Treatment	99,449
Sewer Collection System	16,739
Combined Sewer Overflow	42,047
Stormwater	5,993
Water System	24,431
Washington Aqueduct (WASA share)	0
Capital Equipment	<u>11,148</u>
<b>Total</b>	<b><u>199,807</u></b>